Government of Saskatchewan

Annual Report 2003-2004

Saskatchewan Crop Insurance Corporation

For the fiscal year ending
March 31, 2004

Statistical Highlights by Crop Year

	2003	2002	2001
Financial			
Total Premium (P)	$348.6 M	$248.6 M	$225.2 M
Total Indemnities (I)	$345.0 M	$1.07 B	$331.5 M
Net Loss Ratio (I/P)	.99	4.30	1.47
Total Insured Value (liability)	**$2.8 B**	**$2.5 B**	**$2.1 B**
Insured Acres			
Annual Grain Crops			
• Multi-Peril Insurance	25.9 M	25.5 M	25.2 M
• Ratio of Insured to Seeded Acres	74%	74%	74%
Perennial Forage Crops			
• Multi-Peril Insurance	.8 M	1.0 M	.5 M
• Forage Rainfall Insurance Program	2.7 M	3.3 M	.2 M
Annual Crop Weather Based Insurance Program	.5 M	.9 M	n/a
Spot-Loss Hail	n/a	n/a	20.0 M
Insured Contracts			
Grain, Forage and Weather Derivative Programs	33,916	34,783	34,306
Spot-Loss Hail Program	n/a	n/a	19,991
Distribution of Acres by Coverage Level (expressed as a per cent of average yield)			
50% and Winterkill	12%	8%	12%
60%	8%	4%	6%
70%	41%	35%	68%
80%	39%	53%	14%
Weighted Average	71%	73%	68%
Claims Registered*			
Unseeded Acreage	258	154	344
Establishment	5,317	6,481	3,187
Pre-Harvest	7,932	39,227	9,436
Post-Harvest	38,804	52,504	37,932
Hail	n/a	n/a	17,540
Waterfowl Damage	291	1,946	192
Big Game Damage	532	3,770	496
	53,134	**104,082**	**69,127**

*Not all claims result in a payable loss. For example, a loss in one field may be offset by higher yields in another field of the same crop.

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Saskatchewan Crop Insurance Corporation's 2003-2004 Annual Report is available in pdf format at www.saskcropinsurance.com.

Letters of Transmittal

July 29, 2004

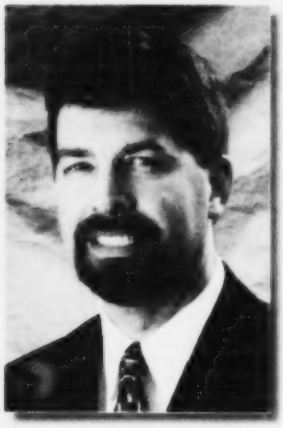
To Her Honour
The Honourable Dr. Lynda Haverstock
Lieutenant Governor of Saskatchewan

Madam:

It is my honour to submit the Saskatchewan Crop Insurance Corporation annual report and financial statements for the year ended March 31, 2004.

Your obedient servant,

Mark Wartman
Minister of Agriculture and Food



July 29, 2004

To The Honourable Mark Wartman
Minister of Agriculture and Food

Sir:

I hereby present the Saskatchewan Crop Insurance Corporation annual report for the year ended March 31, 2004. As production insurance becomes our mandate, Crop Insurance looks forward to meeting future challenges to best serve Saskatchewan's agriculture industry.

Respectfully submitted,

Doug Matthies
Chair of the Board
Saskatchewan Crop Insurance Corporation

2003 at a Glance

Winter 2002/2003

- Precipitation ranged from near normal in the south central and eastern grainbelt, above normal in central areas to below normal in north and west regions. Spring run-off varied with limited and below normal amounts in west central, central and northern areas.

Spring 2003

- An April snowstorm followed by heavy rains increased precipitation totals to above normal for the month, generating a second run-off in many areas. The northeastern and west central areas were the exception.

- Seeding started in the southwest in the third week of April though harvest had to be first completed in areas unable to finish in the fall of 2002. Cold, frost and surplus moisture delayed seeding progress but 90 per cent of the total crop was in by the end of May.

- Three-quarters of pastures rated good to excellent in May, dropping to 49 per cent by the end of June.

Summer 2003

- July precipitation differed locally and regionally with most areas experiencing below normal precipitation in August.

- Hot, dry and windy weather pushed crops to maturity and provided ideal conditions for grasshoppers, particularly in the northwest. Harvest started in July with 60 per cent of the crop off by the end of August.

- The first cut hay crop was 98 per cent complete and the second cut 30 per cent complete by mid-August. First cut yields were average while second cuts were not made in many areas due to hot, dry conditions.

Fall 2003

- By mid-September, 89 per cent of the crop was harvested. Cool, wet weather slowed harvest though it was 99 per cent complete before the end of October.

- September's rain allowed some fall grazing in pastures that had been depleted of moisture.

- Overall production of major grains, oilseeds and specialty crops was 14 per cent below the 10-year average at 20.3 million tonnes but 36 per cent above 2002's 14.9 million tonnes. Decreases were due to below average yields although quality was above average because of near ideal harvesting conditions.

Saskatchewan Agriculture, Food and Rural Revitalization "Crop Report"
Number 28, October 22, 2003

Our 2003-2004 Annual Report

Saskatchewan Crop Insurance used the Public Performance Reporting Guidelines accountability framework to report on the results of the 2002-2003 crop year and will continue to do so for 2003-2004. These guidelines provide the public with Crop Insurance's strategic plan and summarize the results achieved against those plans.

This annual report is intended to assist stakeholders in understanding the role of Saskatchewan Crop Insurance through the corporation's strategic and financial plans and results for the past year, the year ahead and the future. As the agriculture industry and corporate services evolve, so too will Crop Insurance's strategic plan by providing complete and objective information to all stakeholders.

A Year in Review

After nearly province-wide back-to-back droughts in 2001 and 2002, producers faced some hard decisions heading into the 2003-2004 crop year. Although prices had improved for most commodities, dry conditions persisted in certain regions of the province as seeding commenced. Timely rains in some areas improved the chances of producing an average crop. However, significant portions of the province continued to remain dry. These conditions proved ideal for grasshopper development through the summer and pastureland was stressed following weeks of high heat and little rain. Adding to the difficulties on the farm was the impact of the Bovine Spongiform Encephalopathy (BSE) crisis which forced producers to find pasture and forage for an increased cattle herd. Throughout the province, harvest began in early August, ending with high quality crop that was below the ten-year production average but significantly better than 2002's production.

Acknowledging these hardships faced by producers, Saskatchewan Crop Insurance enhanced the 2003-2004 program to support farming innovation, diversification and expansion of the livestock sector.

- Organic prices were updated to better reflect the market price premiums. The Organic Reseeding Benefit was introduced for acres that needed to be worked under and reseeded due to excessive weeds.

- The Forage Rainfall Insurance Program was enhanced with coverage levels varying by soil zone to better reflect productivity, new weather stations were added and liability limits by station were removed.

- Crop Insurance continued to explore inexpensive and easy to administer weather-based insurance products. The Annual Crop Weather Based Insurance Program protected producers in the event of precipitation shortfalls and early fall frost in the form of either a top-up to existing coverage or a stand-alone option.

- Individual crops and coverage options saw enhancements. The Dryland Dry Bean Pilot insurable area was expanded and the production guarantees were improved. A blended price was introduced for field peas, improving dollar per acre coverage. An establishment benefit was offered separately from yield-loss on biennial sweetclover. The maximum percentage of acres that could be insured under the Diversification Option was increased from 20 to 30 per cent.

- Crop Insurance introduced the Low Price Option. Under the LPO, premiums and coverage were based on 85 per cent of the insured base price without lowering the claim threshold.

Customers saw a large premium increase in 2003 primarily due to the level of program debt caused by the approximately $1.4 billon in payments made in 2001 and 2002. Even with the increase in premiums, producers insured $2.8 billion in liability, an average coverage level of 71 per cent on 27.2 million acres. This steady participation level in the crop insurance program is a strong indicator that it is seen as a necessity for producers to remain viable in the current agricultural economy.

Administrative enhancements increased corporate efficiency and improved customer service throughout the year. Crop Insurance increased the number of adjusters equipped with in-field technology such as hand-held global positioning system units and laptop computers. This improved our ability to provide information and services to our customers anytime, anywhere. CropConnect was launched with the 2003 sales period, allowing customers to view their land, demographic information, calculate personal premium and coverage amounts and make certain endorsement changes to their contracts through a secure website.

Throughout the year, Crop Insurance's staff continued to work diligently on behalf of customers and stakeholders. Although claim figures did not reach the levels of 2002, Crop Insurance paid more than $340 million, the fifth highest payout in the corporation's history, completing approximately 53,000 inspections.

The province signed the Agricultural Policy Framework Implementation Agreement in December 2003. Under the business risk management chapter, crop insurance will be broadened to production insurance, covering more commodities, increasing options for diverse operations and developing innovative insurance tools. Crop Insurance has begun this transformation, developing products to meet the targets set out under the federal-provincial program.

This development is an essential element to Crop Insurance's strategic plan, presented in this annual report. We will also continue to respond to the industry needs for products and program enhancements to help with diversification efforts. Sound financial management of a strong core production insurance program and delivery of this program to our customers in a fiscally responsible manner is also a key driver for the corporation's strategic direction.

Stan Benjamin
Acting General Manager
Saskatchewan Crop Insurance Corporation

Our Organization

Governing Authorities

The Saskatchewan Crop Insurance Corporation is a provincial Crown Corporation established by an Act of Legislature primarily to administer the Canada-Saskatchewan Crop Insurance Program. As a joint federal-provincial program, Crop Insurance is subject to the following Acts, Regulations and Agreements:

- Farm Income Protection Act (federal)
- Crop Insurance Act (provincial)
- Crop Insurance Regulations (federal and provincial)
- Canada-Saskatchewan Production Insurance Agreement
- Canada-Saskatchewan Production Insurance Operational Document

Crop Insurance also administers payments under the Waterfowl Damage Compensation Program and Big Game Damage Compensation Program. Both programs are governed under the provincial Farm Financial Stability Act and associated regulations.

Saskatchewan Crop Insurance has complied with the provisions of these authorities.

Board of Directors

Under the Crop Insurance Act, a board of directors is authorized to conduct the affairs of the corporation and is responsible for the overall direction and development of the Crop Insurance program. Decisions with major financial and policy implications are developed through consultation with industry and must be approved by the provincial and federal governments.

As of March 31, 2004, the board members were Doug Matthies, chair and Deputy Minister of Saskatchewan Agriculture, Food and Rural Revitalization (SAFRR); Hal Cushon, vice chair and Assistant Deputy Minister of SAFRR; Wilson Olive; Norm Ballagh and Arlee McGrath. All members are either involved in farm operations or have an agricultural background.

Appeal Panel

The Saskatchewan Crop Insurance appeal panel was established to provide fair and efficient resolution to customer issues. The panel is an advisory committee of producers appointed by the board to consider and make recommendations on producers' concerns about their individual contracts. A voluntary process, informal hearings are held on a regular basis with customers and staff presenting information. The panel's recommendation is then presented to the board of directors for final decision.

Panel members are farmers at large. As of March 31, 2004, members were chairperson Harry Bastness (Hagen), vice chairperson Janice Stirling (Mortlach), Brian Kramer (Southey), Dale Flavel (Silton), William Lanfermann (Paradise Hill), Allan Beblow (Yorkton) and Wayne Truman (Redvers).

From April 1, 2003 to March 31, 2004, the appeal panel registered 145 appeals. Eighteen were withdrawn for a total of 127. Of that total, 29 were granted in whole, nine were granted in part and 61 were denied. As of March 31, the remaining 28 appeals have been heard by the appeal panel but await the final decision of the board of directors.

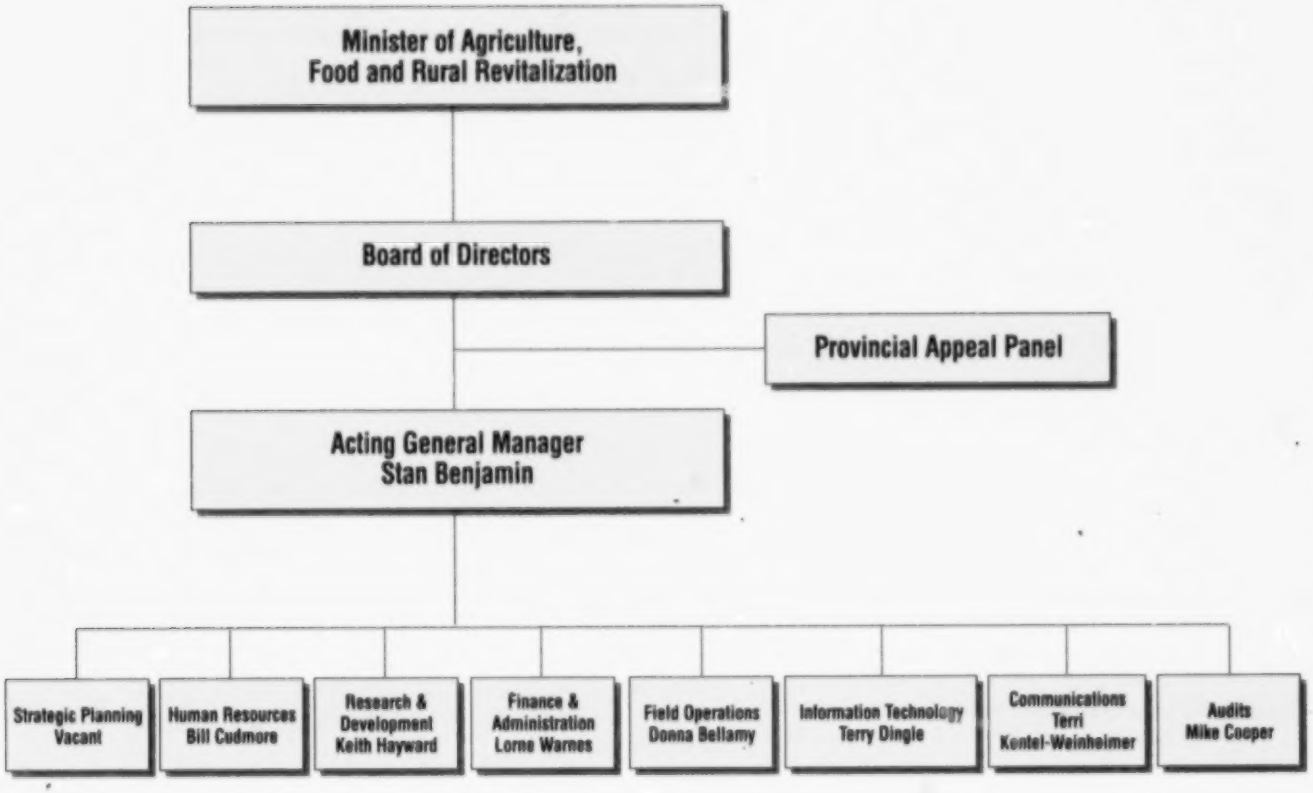
Staff

Crop Insurance's head office is located in Melville with 21 additional customer service offices in communities throughout the province. As of March 31, 2004, Crop Insurance employed 473 individuals including permanent, temporary and casual positions. Of these, 116 individuals are located in head office and 357 are located in customer service offices.

Saskatchewan Crop Insurance contact information can be found on and inside the back cover of this annual report.

Organization Chart

As of March 31, 2004


Minister of Agriculture, Food and Rural Revitalization
Board of Directors
Provincial Appeal Panel
Acting General Manager Stan Benjamin
Strategic Planning Vacant
Human Resources Bill Cudmore
Research & Development Keith Hayward
Finance & Administration Lorne Warnes
Field Operations Donna Bellamy
Information Technology Terry Dingle
Communications Terri Kontel-Weinheimer
Audits Mike Cooper

Overview of Saskatchewan Crop Insurance Corporation

Role within Saskatchewan Agriculture, Food and Rural Revitalization

The mandate of Saskatchewan Agriculture, Food and Rural Revitalization (SAFRR) is to foster a commercially viable, self-sufficient and sustainable agriculture and food sector and healthy and diverse rural communities. Saskatchewan Crop Insurance Corporation is an agency of SAFRR, designing and delivering programs that support the department's overall strategy.

Building on their 2002-2003 performance plan, SAFRR further developed their goals and objectives for 2003-2004. The department's Goal 1 is "prosperous, sustainable agricultural production and processing industries" with Crop Insurance addressed under Objective 5 and the provision of "effective safety net and risk management programs."

Farm income is subject to price and production risk. Effective safety net and risk management programs are essential to dealing with this risk and achieving the economic potential of the agriculture sector. The framework for providing business risk management programs is under the Agricultural Policy Framework (APF). Saskatchewan signed the APF Implementation Agreement in December 2003, providing producers with access to demand-driven production insurance and stabilization/disaster programming.

Programs in place to meet these objectives include:

1. Crop Insurance - mutual insurance providing customers with income support in the event of crop loss due to a number of natural perils. Crop Insurance claims are inspected and indemnities paid within the season. The federal and provincial governments and producers cost-share program premiums while administration costs are completely funded by the governments.

2. The Canadian Agricultural Income Stabilization (CAIS) Program - integrates stabilization and disaster protection into a single program, helping producers protect their farming operations from both small and large drops in income. CAIS is a whole-farm program available to eligible producers regardless of the commodities they produce.

   Participants select a protection level for their operation and then make the necessary deposit to secure that protection level. Program payments, which include funds from their account and a government contribution, are made when the participant's margin in the program year falls below their reference margin. The bigger the loss, the larger the share of the payment from governments.

Corporate Risk Analysis and Management

To be able to effectively contribute towards the government's agriculture strategy, Crop Insurance has identified the following key risks and strategies to manage those risks.

1) Program Design and Participation

To provide economic stability to the agriculture sector and reduce the financial risk that government may be called upon to provide ad-hoc emergency support, Crop Insurance needs to be considered an effective risk management program by participants and government stakeholders.

Crop Insurance is a voluntary program. To attract farmers, the program must be seen as complementing existing alternative risk management strategies. The features and options provided like coverage levels and range of crops insured must be flexible. Premiums charged must be fair and reasonable and meet actuarial standards. The program must also evolve with the changing agricultural industry. These needs must be balanced with the program design principles and the financial capacity of each level of government that sponsor the program.

To manage this risk, Crop Insurance works with producers, industry groups and associations, the federal government and academia to identify needs, opportunities, challenges and shortcomings of the current programs. Changes to the programs are typically developed in conjunction with stakeholders to ensure recommended changes address the issues identified and will be supported by the industry.

2) Program Financial Stability

To be sustainable as a long-term insurance program, the premiums charged over time must be sufficient to pay the claims incurred. Crop Insurance has a rigorous premium-setting methodology that is certified by an independent actuary every five years or more often if substantive program changes or issues arise. The most recent certification was completed for the 2003 crop year.

Since growing conditions and crop suitability vary across Saskatchewan, premium rates are established for each crop using defined risk areas to ensure the base premium rates reflect the expected claim experience for different crops in different parts of the province. For some minor crops where there are either limited acres grown in the province or limited years of growing experience under Saskatchewan conditions, premium rates may be based on larger risk zones or on a provincial basis.

The premium associated with certain specific features of crop insurance such as the Establishment Benefit and Unseeded Acreage Benefit are separately calculated and added to the base rates. These premiums may be loaded across all crops within the risk area, risk zone or provincial rate.

Premiums also include a component to address deficit recovery or reserve accumulation requirements. These costs are included in premiums on a provincial basis.

Production catastrophes occur in all parts of the province but not necessarily at the same time. The immediate financial burden caused by such events is spread across the entire base of customers. This provides greater premium stability and encourages higher program participation. In the event that the overall program is in a deficit position, additional premiums are determined to result in a recovery within a 15-year time period. This encourages continued program participation and affordability of premiums. Actual results may vary depending on future claim experience.

Along with a rigorous premium rate setting strategy, it is critical that adequate reinsurance is available to Crop Insurance in the event that claims exceed annual premiums and reserves. Without adequate reinsurance arrangements, the ability to pay producer claims may be at risk.

The federal and provincial governments currently provide reinsurance in accordance with terms set out in the Canada-Saskatchewan Production Insurance Agreement. To ensure the long-term sustainability of these arrangements, an actuarial evaluation is to be conducted every five years or sooner if conditions or program changes warrant. The most recent review was completed in 2002.

Both levels of governments provide reinsurance to Crop Insurance through their own sources. Each level of government is considered to have the necessary borrowing capacity and is able to achieve costs of capital that are at least as attractive as purchasing private sector reinsurance. Furthermore, the third party certification of sustainability gives confidence that any deficits will be recovered over time.

All premiums paid to the Crop Insurance program are available for the purposes of paying claims or reinsurance costs only. Surplus funds are held for future production losses and cannot be utilized by either level of government for other purposes. As a result of this provision and the periodic review of premium and reinsurance rates to ensure their appropriateness, governments have been satisfied that the current reinsurance arrangements should provide for a less expensive program than subscribing to private reinsurance.

3) Program Delivery

Approximately 34,000 producers currently purchase crop insurance and while the concept of insuring against production loss is simple, the program has increased in complexity in response to expanding needs of producers. To meet the demands of volume, complexity, accuracy and timeliness, it is critical that the corporation ensure it has an adequate infrastructure.

Saskatchewan Crop Insurance has placed a high priority on its human resources and technology needs. The culture, staff development opportunities, information technology capacity, security and disaster recovery strategies of the corporation are critical aspects of managing this risk.

To ensure the integrity of the insurance program, future premiums and to meet the needs of producers facing crop losses, the adjusting system must ensure that claims are accurately assessed and indemnities paid in a timely fashion. To do this, the corporation emphasizes training of adjusters and staff to identify the cause of loss, accurately assess the loss and promptly and accurately process the claim. The corporation utilizes standardized training modules, policy and procedure manuals, supervision, analytical review and compliance audits to manage this risk.

In addition, Crop Insurance utilizes a deliberate strategy of decentralized claim adjusting and processing to increase awareness of local conditions and issues. The corporation has effective communication processes to ensure any appropriate consideration and decision-making occurs as issues emerge. The corporation also uses an indemnity prediction model to estimate potential indemnities, alert stakeholders to claim payment requirements and allocate adjusting resources.

Percentage of Acreage by Coverage Level

Year	50%	60%	70%	80%
1997	28%	11%	50%	11%
1998	18%	9%	58%	15%
1999	19%	9%	59%	14%
2000	13%	7%	66%	14%
2001	12%	6%	68%	14%
2002	8%	4%	35%	53%
2003	12%	8%	41%	39%

Weighted Average Coverage Level by Year

Year	Average Coverage Level	Year	Average Coverage Level
1990	72%	1997	65%
1991	70%	1998	67%
1992	79%	1999	67%
1993	76%	2000	68%
1994	70%	2001	69%
1995	69%	2002	73%
1996	69%	2003	71%

Historical Premium Cost Sharing

	Total Premium			Base Premium			Buy-up Premium			FRIP & ACWBP Premium			Admin Costs	
Year	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Fed %	Prov %
1961-66	80%	20%	-										50%	50%
1967-72	75%	25%	-										50%	50%
1973-89	50%	50%	-										0%	100%
1990-96	50%	25%	25%*										50%	50%
1997	42.2%	28.9%	28.9%	20%	40%	40%	60%	20%	20%				50%	50%
1998	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%				50%	50%
1999	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%				50%	50%
2000	29.2%	42.5%	28.3%**	10%	54%	36%	40%	36%	24%				50%	50%
2001	29.7%	35.2%	35.2%	10%	45%	45%	40%	30%	30%				50%	50%
2002	36.8%	27.4%	35.8%***	19%	36%	45%	48%	22%	30%	37%	28%	35%	50%	50%
2003	36.0%	38.4%	25.6%	19%	48.6%	32.4%	48%	31.2%	20.8%	37%	38%	25%	60%	40%

* In 1992 only, the provincial government paid 41 ⅓ per cent, producers 33 ⅓ per cent and the federal government 25 per cent of the incremental premium between 70 and 80 per cent coverage.

** For 2000 only the federal government paid 60 per cent of government premiums.

*** Projected overall cost sharing. Also applied to Forage Rainfall Insurance Program (FRIP) and Annual Crop Weather Based Insurance Program (ACWBP).

Forage and Weather Derivative Program Summaries

Forage Insurance Program – All-Peril Historical Statistics

Year	Number of Contracts	Number of Endorsements	Number of Endorsements Receiving Indemnity	Acres Insured	Liability	Total Premium	Indemnity	Loss Ratio
1994		2,378	637	298,424	8,042,202	1,566,957	663,524	0.42
1995		1,873	1,107	235,028	5,720,904	1,221,230	1,411,802	1.16
1996		1,664	874	233,726	8,726,197	1,927,287	1,491,065	0.77
1997		1,388	628	193,108	7,990,634	1,433,830	1,146,982	0.80
1998	2,013	2,285	1,100	359,954	17,524,304	3,145,855	4,256,605	1.35
1999	1,913	2,169	243	306,689	14,005,988	2,416,213	609,874	0.25
2000	2,241	2,548	412	382,912	13,247,318	2,363,477	815,977	0.35
2001	2,883	3,380	1,987	532,032	20,592,772	2,904,964	7,395,640	2.55
2002	4,432	5,448	2,465	973,758	56,758,894	9,034,257	20,753,208	2.30
2003	3,993	4,812	1,709	792,892	46,483,100	9,674,951	11,156,974	1.15
Total	**17,475**	**27,945**	**11,162**	**4,308,523**	**199,092,313**	**35,689,021**	**49,701,651**	

Forage Rainfall Insurance Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2001	336	558	209,747	$ 7,628,510	175	$ 827,733	$ 625,577	0.76
2002	3,955	6,120	3,272,263	$24,603,861	2,305	$4,598,102	$6,051,393	1.32
2003	3,510	5,377	2,664,809	$37,191,756	859	$7,193,218	$1,497,313	0.21

2001 was the first year of the pilot project and was not available in all parts of the province.

Annual Crop Weather Based Insurance Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2002	2,290	2,290	900,861	$9,008,610	638	$1,532,820	$826,132	0.54
2003	1,336	1,345	518,272	$6,002,640	751	$ 728,967	$904,474	1.24

Life-to-date Participation and Loss Experience

Annual Grains Crops – Multi-Peril Program Only

Year	Number of Customers	Liability	Average Customer Liability	Customer's Net Premium	Total Net Premium
1961-62	194	$ 306,500	$ 1,580	$ 23,925	$ 29,906
1962-63	1,337	$ 2,319,000	$ 1,734	$ 171,284	$ 214,105
1963-64	2,235	$ 3,683,000	$ 1,648	$ 275,645	$ 344,556
1964-65	2,357	$ 4,088,000	$ 1,735	$ 278,926	$ 348,658
1965-66	3,172	$ 4,566,000	$ 1,440	$ 290,708	$ 363,385
1966-67	6,989	$ 12,125,000	$ 1,734	$ 743,154	$ 928,943
1967-68	8,211	$ 15,910,000	$ 1,938	$ 941,146	$ 1,176,433
1968-69	12,343	$ 27,165,000	$ 2,201	$ 1,719,898	$ 2,149,873
1969-70	11,637	$ 21,194,000	$ 1,821	$ 1,320,748	$ 1,650,935
1970-71	9,083	$ 9,039,200	$ 995	$ 567,835	$ 709,794
1971-72	7,890	$ 14,625,000	$ 1,854	$ 782,908	$ 978,635
1972-73	11,844	$ 29,840,005	$ 2,519	$ 1,821,463	$ 2,276,829
1973-74	23,909	$ 140,436,128	$ 5,874	$ 6,780,470	$ 13,688,272
1974-75	31,411	$ 288,263,532	$ 9,177	$ 14,536,220	$ 30,098,459
1975-76	38,209	$ 405,089,832	$ 10,604	$ 19,821,549	$ 41,041,161
1976-77	39,143	$ 542,207,973	$ 13,852	$ 25,986,032	$ 53,637,408
1977-78	47,156	$ 704,688,894	$ 14,944	$ 34,761,664	$ 71,887,589
1978-79	43,032	$ 708,193,202	$ 16,457	$ 33,258,275	$ 66,472,426
1979-80	40,154	$ 721,821,633	$ 17,976	$ 33,065,306	$ 66,055,718
1980-81	42,850	$ 935,838,614	$ 21,840	$ 41,457,643	$ 82,546,598
1981-82	46,259	$ 1,162,172,942	$ 25,123	$ 53,612,350	$ 106,100,031
1982-83	44,469	$ 1,233,908,814	$ 27,748	$ 56,458,215	$ 112,003,208
1983-84	43,000	$ 1,254,906,517	$ 29,184	$ 56,017,456	$ 111,588,185
1984-85	43,443	$ 1,345,493,742	$ 30,971	$ 62,690,884	$ 123,439,542
1985-86	46,894	$ 1,558,492,595	$ 33,234	$ 76,052,344	$ 151,943,200
1986-87	48,952	$ 1,778,772,508	$ 36,337	$ 88,008,642	$ 170,010,965
1987-88	46,492	$ 1,161,135,578	$ 24,975	$ 61,969,782	$ 120,935,244
1988-89	45,721	$ 1,159,096,010	$ 25,352	$ 63,265,513	$ 121,599,339
1989-90	49,267	$ 1,942,011,401	$ 39,418	$132,122,366	$ 238,801,161
1990-91	46,523	$ 1,713,501,461	$ 36,831	$112,716,301	$ 207,182,201
1991-92	51,466	$ 1,478,891,201	$ 28,735	$ 82,647,237	$ 145,600,110
1992-93	49,466	$ 1,706,956,497	$ 34,508	$111,510,843	$ 223,159,109
1993-94	45,752	$ 1,269,698,961	$ 27,752	$100,119,693	$ 199,319,998
1994-95	43,107	$ 1,249,853,183	$ 28,994	$ 88,228,806	$ 161,006,675
1995-96	40,904	$ 1,355,607,448	$ 33,141	$ 80,561,270	$ 157,205,530
1996-97	38,099	$ 1,619,069,926	$ 42,496	$ 86,722,633	$ 173,445,266
1997-98	36,030	$ 1,574,353,395	$ 43,696	$ 56,567,834	$ 141,930,893
1998-99	35,336	$ 1,610,578,015	$ 45,579	$ 53,926,962	$ 149,706,545
1999-00	33,216	$ 1,583,681,295	$ 47,678	$ 48,739,931	$ 136,382,054
2000-01	34,121	$ 1,561,382,982	$ 45,760	$ 36,320,919	$ 140,130,557
2001-02	33,917	$ 2,022,351,221	$ 59,626	$ 42,725,264	$ 163,480,791
2002-03	33,814	$ 2,416,155,651	$ 71,454	$ 80,498,777	$ 218,311,844
2003-04	33,012	$ 2,665,864,135	$ 80,754	$118,968,854	$ 330,663,077

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the Crop Insurance portion of GRIP.
This does not include Forage Insurance, weather derivative programs or the Spot-Loss Hail Option.
Premium includes premiums from producers and contributions by the governments of Canada and Saskatchewan.

Average Customer Premium	Average Customer Rate (%)	Number of Indemnities Paid	Indemnity Amount	Loss to Premium Ratio (By Year)	Loss to Premium Ratio (Accumulated)
$ 123	7.8	169	$ 129,669	4.34	4.34
$ 128	7.4	147	$ 61,651	0.29	0.78
$ 123	7.5	38	$ 9,285	0.03	0.34
$ 118	6.8	240	$ 137,926	0.40	0.36
$ 92	6.4	301	$ 123,304	0.34	0.36
$ 106	6.1	161	$ 107,978	0.12	0.26
$ 115	5.9	887	$ 497,118	0.42	0.31
$ 139	6.3	1,683	$ 1,607,853	0.75	0.48
$ 113	6.2	553	$ 385,787	0.23	0.42
$ 63	6.3	213	$ 104,338	0.15	0.40
$ 99	5.4	206	$ 142,930	0.15	0.37
$ 154	6.1	1,654	$ 1,262,763	0.55	0.41
$ 284	4.8	8,484	$ 7,730,305	0.56	0.49
$ 463	5.0	23,505	$ 32,898,379	1.09	0.82
$ 506	4.9	24,444	$ 28,392,087	0.69	0.77
$ 664	4.8	15,092	$ 22,401,840	0.42	0.64
$ 736	4.9	21,915	$ 36,862,943	0.51	0.60
$ 773	4.7	17,389	$ 29,419,884	0.44	0.56
$ 824	4.6	39,050	$ 103,835,041	1.57	0.75
$ 968	4.4	35,907	$ 135,708,452	1.64	0.92
$ 1,159	4.6	29,167	$ 92,280,986	0.87	0.91
$ 1,270	4.6	23,967	$ 74,157,729	0.66	0.87
$ 1,303	4.5	26,804	$ 105,243,197	0.94	0.88
$ 1,443	4.7	51,853	$ 259,864,151	2.11	1.05
$ 1,622	4.9	57,693	$ 377,180,151	2.48	1.26
$ 1,798	4.9	29,161	$ 119,054,329	0.70	1.18
$ 1,333	5.3	25,547	$ 87,240,750	0.72	1.14
$ 1,384	5.5	74,907	$ 465,603,032	3.83	1.36
$ 2,682	6.8	57,064	$ 449,653,069	1.88	1.44
$ 2,423	6.6	36,538	$ 160,883,342	0.78	1.36
$ 1,606	5.6	23,252	$ 61,312,350	0.42	1.30
$ 2,254	6.5	39,627	$ 301,960,318	1.35	1.30
$ 2,188	7.9	27,385	$ 181,809,677	0.91	1.27
$ 2,047	7.1	17,924	$ 85,991,873	0.53	1.23
$ 1,970	5.9	21,525	$ 101,531,480	0.65	1.19
$ 2,276	5.4	7,541	$ 32,409,227	0.19	1.13
$ 1,570	3.6	12,152	$ 51,807,874	0.37	1.10
$ 1,526	3.3	15,452	$ 66,706,347	0.45	1.07
$ 1,467	3.1	14,871	$ 65,065,409	0.48	1.05
$ 1,064	2.3	12,064	$ 75,919,849	0.54	1.03
$ 1,260	2.1	33,353	$ 267,782,992	1.64	1.05
$ 2,381	3.3	61,147	$ 1,044,721,261	4.79	1.26
$ 3,604	4.5	36,752	$ 330,039,388	1.00	1.24

Saskatchewan Crop Insurance
2003-2004 Strategic Plan

Saskatchewan Agriculture, Food and Rural Revitalization Vision:

A thriving agriculture sector and dynamic rural communities that contribute to an enhanced quality of life for all Saskatchewan residents.

Saskatchewan Crop Insurance Vision:

We excel at providing innovative agricultural insurance and related products and services and are a respected, integral part of a dynamic Saskatchewan agriculture sector.

Mission:

We develop and deliver effective and innovative agricultural insurance services to help sustain the agriculture sector.

Values:

Innovation, Open two-way communication, Teamwork, Accountability, Honesty, Fairness and Respect

Strategic Plan and Performance Management: Goals, Objectives, Key Actions and Performance Measures

The performance measures identified are broad-based to help stakeholders assess the performance of the Crop Insurance program. In developing the strategic plan, Crop Insurance followed a model similar to the balanced scorecard. The goals, objectives and strategic initiatives have been built around:

1. Customer products and services
   - Supporting the core grains sector and diversification
   - Supporting expansion of the livestock sector
   - Improving customer service

2. Financial Management
   - Ensuring premium rate methodologies support long-term sustainability of the insurance products
   - Ensuring adequate reinsurance arrangements are in place to guarantee claim payments
   - Effective program administration

3. Infrastructure and Internal Business Processes
   - Ensuring adequate resources, capacity and processes provide accurate and timely service

4. Employees
   - Meeting the human resources needs to provide customer service excellence

Strategic Goal 1: Customer Products and Services

Strong risk management programs and services responding to customer and industry needs to support prosperous, environmentally sustainable, agriculture production and processing industries

Performance Measures for Strategic Goal 1:
The performance measures for this goal are an assessment of the need for and value of the program placed on it by its customers, efforts of the program to support the changing needs and diversification initiatives of producers and the extent to which producers support those changes.

Objective 1:

To provide valuable and innovative core risk management programs and services to our customers

Key Actions	Results and Management Discussion
Maintain awareness of agriculture industry changes and their impact on our customers	• The corporation continually meets with stakeholders including irrigation, vegetable, organic and pulse industry representatives to understand and address agricultural concerns as they relate to crop insurance. • Staff attended provincial informational meetings with respect to the Canadian Agriculture Income Stabilization Program.

Consistently provide products and services that respond to changing needs of customers	• The business cycle for the corporation is to plan and develop next year's program in the current year. In that context, the following policy initiatives were developed in 2003-2004 for 2004-2005:
	  • Adjust the base grade for lentils
	  • Review the deadline to plough down green manure crops
	  • Introduce individual coverage for chickpea producers
	  • Re-evaluate organic yields versus conventional yields grown on stubble and adjust them to more accurately reflect production

Performance Measures: Percentage of seeded annual crops insured Average level of coverage on insured crops	• In 2003, Saskatchewan producers insured 74 per cent of seeded annual crop acres. This compares to 74 per cent in 2002, a historical provincial average of 65 per cent and the 2003 national average of 70 per cent. • The average coverage level in 2003 was 71 per cent of average yields. This compares to the provincial average of 73 per cent in 2002, the historical average (since 1990, which is the year 80 per cent coverage was first offered) of 70 per cent and the 2003 national average of 75 per cent.
Assess the impact and opportunities for Crop Insurance under the new Agriculture Policy Framework (APF) Agreement	• Saskatchewan continues to participate in the federal-provincial working group to develop guidelines for determining catastrophic costing of current programs and future program enhancements. • Effective for 2004-2005, producers will pay, on average, 38 per cent of premiums as a phase-in to transition to 60-40 cost sharing under the APF.
Assess the role and opportunity for future weather derivative products	• The Annual Crop Weather Based Insurance Program continued as a pilot program with two options available. In 2003, 518,272 acres were insured as compared to 900,861 in 2002.
Consider expanded e-business opportunities to improve customer service and convenience	• CropConnect was launched, enabling enrolled customers to calculate personal premium and coverage amounts, make designated endorsement changes and complete forage and grain production declarations through a secure site on www.saskcropinsurance.com. • In 2003, 37 per cent of claims were keyed remotely.

Objective 2:	
To support diversification, livestock and industry expansion through program development	
Key Actions	**Results and Management Discussion**
Pursue opportunities to investigate and develop insurance products for crops that are currently not insured	• Crop Insurance continues to monitor new crops and conduct discussions with the vegetable and fruit growers.
Assess risk management needs and develop/expand insurance products for forage producers	• APF consultations continue in identifying possible applications for livestock production insurance. • Enhancements to the 2003 Forage Rainfall Insurance Program included additional weather stations and insurance coverage varying by soil zones to reflect differences in productivity. 2004 program development included updating the insurable values and expanding monthly weighting options and precipitation cap.
Performance Measure: Forage acres insured	• In 2003, 792,892 acres of forage were insured for yield-loss or establishment which is 25.2 per cent of estimated tame hay acres in Saskatchewan. This compares to a five-year (1998-2002) average insured acres of 511,069 which is 16.2 per cent of the estimated tame hay acres in Saskatchewan. • In 2003, 3,457,701 acres of pastureland were insured under the Forage Rainfall Insurance Program which is 18 per cent of the estimated forage acres in Saskatchewan.
Objective 3:	
To ensure customers have the best crop insurance information available to help them make farm management decisions	
Determine information needs of producers and usefulness of current data	• Research continues on segmenting and establishing individual risk profiles. Data has been compiled in an attempt to develop objective and subjective criteria.
Performance Measure: Number of acres enrolled in the Saskatchewan Management Plus (SMP) program	• In 2003, 4.4 million acres were reported through SMP. This compares to a four-year average of 5.25 million acres.
Research impacts and opportunities associated with producer information needs regarding environmental farm planning and carbon sequestration	• Under the APF Implementation Agreement, Crop Insurance is involved in monitoring activities under the environmental chapter.

Objective 4:

To identify opportunities for new innovative products or services to meet industry needs

Key Actions	Results and Management Discussion
Maintain awareness of agriculture industry changes and identify opportunities to develop products or services to meet industry needs	• In 2003, Crop Insurance completed 235 inspections on pre and post cash advance audits for the Canadian Wheat Board. • Crop Insurance actively pursues other third party clients. The corporation completed 77 third party contract inspections for other agricultural insurance agencies and customers. Standard procedures, instructions and contracts were developed for inspection requests.

Strategic Goal 2: Financial Management

Effective and efficient public service, contributing to government goals and objectives

Performance Measures for Strategic Goal 2:
The following performance measures speak to efficient and effective program and administrative management.

Objective 1:

To ensure sound financial program management

Key Actions	Results and Management Discussion
Continue using premium and coverage methodologies that have been actuarially certified	• A certified actuary recommended premium and coverage methodologies used in 2003. • Probable yield tests will be performed every year instead of every five.
Prudent receivables management ***Performance Measures:*** • Ratio of current year's premium collected to invoiced	• 96.9 per cent of 2003 producer premiums were collected. This compares to a 96 per cent average for the previous five years.
• Number of producer accounts cancelled at year-end for non-payment of premiums or not making suitable payment arrangements	• In total, 362 contracts were cancelled for non-payment at the end of 2003-2004, representing one per cent of all contract holders. This compares to 137 contracts cancelled in 2002-2003 and the average of 238 for the previous five-year period.
Consider alternatives to provide greater premium rate stability	• The premium rate methodology will be updated further in 2004-2005.
Ensure appropriate reinsurance is in place as defined by government stakeholders	• Through reinsurance brokers, Crop Insurance will continue to explore and present options for puchasing private reinsurance.

Objective 2:

To be proactively accountable to our stakeholders

Key Actions	Results and Management Discussion
Report the strategic direction and plan including actions, performance and achievements to stakeholders	• Corporate plan updates are communicated to the Crop Insurance board of directors on a regular basis.

Objective 3:

To ensure administrative fiscal responsibility

Plan for operational and strategic needs	• Evaluation continues on processing post-harvest claims using customer declarations. • Over 53,000 grain samples were graded by Crop Insurance with a two to three week turnaround time to review and develop an improved inventory management system for grain samples.
Performance Measures: Number of claim compliance audits completed and audit results	• Over the 2003 crop year, the Audit division performed 1,838 audits, identifying $2.98 million in indemnity differences from when claims were adjusted.
Amount of third party revenue generated	• Third party services offered on a cost-recovery basis in 2003 generated revenue of $177,700. This compares to $228,000 in 2002 and $103,300 in 2001.
Number of hours staff spent completing third party revenue generation work	• Staff spent 3,515 hours completing third party revenue generation work in 2003-2004. This compares to 3,887 hours in 2002-2003 and 2,499 in 2001 2002.
Ratios comparing administration expenses to liability, premiums, acres and contracts, compiled by Agriculture Canada	**2003-2004** / **Saskatchewan** / **Canada** Admin to liability / 0.95% / 1.11% Admin to premiums / 7.47% / 9.94% Admin per acre insured ($) / .89 / 1.36 Admin per contract ($) / 768 / 843
Develop contingency plans for unexpected events and priority changes	• The process continues for 2004-2005.
Provide updates on actual expenditures on a timely basis	• Quarterly updates (monthly from December through the end of the fiscal year) on overall budgeted status reported to Saskatchewan Agriculture, Food and Rural Revitalization. • Internal actual expenditures reported quarterly.

Strategic Goal 3: Infrastructure and Internal Business Processes

Effective and innovative delivery of programs and services

Performance Measures for Strategic Goal 3:
Crop Insurance continues to review current processes in order to search for opportunities to become more efficient and take steps to ensure our infrastructure is able to meet evolving delivery needs. The following performance measures speak to effective and innovative program and service delivery.

Objective 1:

To capture and analyze customer and industry feedback in order to provide more effective programs and delivery

Key Actions	Results and Management Discussion
Solicit customer and stakeholder feedback on products and service opportunities and improvements	• The corporation conducts meetings throughout the year to assess customer feedback on the program and future enhancements. In addition, the corporation meets with farm groups to review the program and discuss concerns.

Objective 2:

To ensure our infrastructure meets the evolving needs for our core business

Ensure compliance with government online and provincial information technology initiatives	• The corporation has implemented a security policy to comply with the Personal Information Protection and Electronic Documents Act which encompasses both security and privacy initiatives.
Ensure our infrastructure remains a strength and is able to adjust to changing customer needs and ways of doing business	• Continue to progress with e-business initiatives to comply with government online initiatives.
Performance Measures: Number of visitors to the Crop Insurance website Percentage of Crop Insurance claims keyed from remote locations	• There were 21,578 unique visitors to the Crop Insurance website, www.saskcropinsurance.com. • Crop Insurance continues to develop the website to provide necessary information in a timely fashion. • 37 per cent of claims were adjusted on computers in remote locations. This compares to 35 per cent in 2002-2003 and 17 per cent in 2001-2002.
Complete an electronic survey with customers using CropConnect	• After the introduction of CropConnect as a pilot program, a survey was completed with a response rate of 33 per cent. The majority of respondents indicated they would like to have online access to all of their contract information.
Performance Measure: Number of CropConnect participants	• As of March 31, 2004, there were 1,637 customers enrolled in CropConnect as compared to 387 on April 30, 2003.* * Both dates represent the end of the sales season for comparison purposes.

Objective 3:

To continue to focus on quality, improving efficiency and productivity

Continuous process review and improvement	• 975 staff quality reviews were completed in 2003-2004. • Evaluations for inter-provincial comparisons are in progress. • Work continues on reviewing the role of geographic information systems applications within Crop Insurance.

Strategic Goal 4: Employees

A learning organization and workplace of choice investing in staff to enhance their capability to reach their potential

The above goal is part of Saskatchewan Crop Insurance's strategic plan but is internally focused with accountability directed to internal stakeholders.

2003-2004 Financial Results

The 2003-2004 financial statements can be found starting on page 26 of this annual report.

Saskatchewan Crop Insurance is a provincial crown corporation and receives funding through an appropriation of the Legislature for premium contributions, administration and interest charges on the provincial share of the program deficit. The corporation is required to present actual and budgeted provincial expenditures and explain the variances.

Premiums are cost-shared by the federal and provincial governments and producers therefore, only the provincial share of premiums is included in the budget. Federal government and producer premiums are paid directly to the corporation. Specific amounts are not budgeted for annual claim costs as the premium setting and reinsurance arrangements are actuarially certified to provide adequate revenue to meet these expenses in the long term.

Program delivery costs, or administration, are paid 60 per cent by the federal government and 40 per cent by the provincial government. The federal share of premium contributions are paid directly to the province's General Revenue Fund. The budget amount reflects 100 per cent of the estimated cost in order to provide for both the provincial amount and transfer of the federal contribution.

Saskatchewan Finance charges the Saskatchewan Crop Insurance Corporation with interest on the provincial share of the current program deficit to the corporation. However, the Canada-Saskatchewan Production Insurance Agreement stipulates that each level of government is responsible for the interest costs on their own share of any deficit. In order to pay Saskatchewan Finance, the corporation must receive an appropriation in the budget.

The following information provides an explanation of the budgeted and actual amounts derived from the Government of Saskatchewan.

	2003-04 Estimates $000s	2003-04 Actuals $000s	Variances over (under) $000s	Note
Program Delivery	25,000	25,000	—	—
Crop Premiums	90,000	89,242	(758)	—
Interest Subsidy	2,400	4,865	2,465	1
	$117,400	$119,107	$1,707	

Notes:

1) Financing costs associated with the Crop Reinsurance Fund debt and the Crop Insurance Fund cash flow deficits were higher than the budget due to claims being greater than anticipated.

Saskatchewan Crop Insurance
2004-2005 Strategic Plan

The 2004-2005 strategic plan outlines a number of strategic initiatives the corporation will undertake to improve production insurance programs and implement the changes required under the Agriculture Policy Framework.

Strategic Goal 1: Customer Products and Services	
Strong risk management programs and services responding to customer and industry needs to support prosperous, environmentally sustainable, agriculture production and processing industries	
Objective 1:	
To provide valuable and innovative core risk management programs and services to our customers	
Strategic Initiatives:	**Performance Measures:**
Research and implement strategies outlined in the Agricultural Policy Framework	• Number of programs implemented and program enhancements made
Provide insurance products to meet changing customer needs	• Percentage of insured acres compared to seeded acres for annual crops and long-term trends • Average coverage purchased on insured crops and long-term trends • Percentage of insured crops to seeded crops • Number of acres insured in the Annual Crop Weather Based Insurance Program
Objective 2:	
To support diversification, livestock and industry expansion through program development	
Research and expand the insurance options available to forage producers	• Number of programs implemented and program enhancements made • Percentage of insured forage acres to forage acres seeded as compared to long-term trends • Number of acres insured in the Forage Rainfall Insurance Program
Objective 3:	
To ensure customers have the best crop insurance information available to help them make farm management decisions	
To provide program materials to ensure awareness and understanding of the crop insurance program	• Communications materials delivered on time

Strategic Initiatives:	Performance Measures:
Continue to develop the Saskatchewan Management Plus (SMP) program	• Number of acres enrolled in the SMP program compared to previous years
Objective 4:	
To identify opportunities for new innovative products or services to meet industry needs	
Maintain awareness of agriculture industry changes and identify opportunities to develop products to meet industry needs	• Number of value-added program opportunities identified

Strategic Goal 2: Financial Management	
Effective and efficient public service, contributing to government goals and objectives	
Objective 1:	
To ensure sound financial program management	
Prudent receivables management	• Ratio of current year's premiums collected to invoiced as compared to long-term trends • Percentage of producer accounts cancelled at year-end for non-payment of premiums or not making suitable payment arrangements compared to long-term trends
Maintain and develop partnerships with third party agencies	• Amount of third party revenue generated compared to long-term trends • Number of hours staff spent on completing third party generation work compared to long-term trends • Number of agencies Crop Insurance has a contract with
Ensure appropriate reinsurance is in place as defined by government stakeholders	• Under development
Use premium and coverage methodologies that have been actuarially certified	• Under development
Objective 2:	
To be proactively accountable to our stakeholders	
Report the strategic direction and plan including actions, performance and achievements to stakeholders	• On time preparation and presentation of reports

Strategic Initiatives:	Performance Measures:
To develop privacy statements and policies for Crop Insurance under the privacy legislation including the Personal Information Protection and Electronic Documents Act and Freedom of Information and Protection of Privacy Act	• Initiatives completed on time
To be proactively accountable to our stakeholders by ensuring the integrity of the program	• Number of claim compliance audits compared to long-term trends
Objective 3:	
To ensure administrative fiscal responsibility	
Quantify and manage long-term indemnity risk	• Under development • Percentage of total claims completed by declaration, number verified and the results
Provide updates on actual expenditures on a timely basis	• Ratios comparing administration expenses to liability, premiums, acres and contracts as compared to long-term trends • The average cost per contract and average cost per claim as compared to national performance measure targets

Strategic Goal 3: Infrastructure and Internal Business Processes	
Effective and innovative delivery of programs and services	
Objective 1:	
To capture and analyze customer and industry feedback in order to provide more effective programs and service delivery	
Implement a method of tracking and addressing customer concerns and issues to improve customer service in an effort to provide effective programs	• Policy changes that improve corporate business processes according to the stategic goals and objectives which are implemented as a result of customer concerns identified by the appeal panel and customer service representatives
Objective 2:	
To ensure our infrastructure meets the evolving needs for our core business	
Evaluate current business processes and projects for online application to comply with government online and provincial technology initiatives	• Number of business applications available online compared to previous years • Crop Insurance website traffic and usage statistics

Objective 3:	
To continue to focus on quality, improving efficiency and productivity	
Strategic Initiatives: Implement strategies to identify efficient process improvements	**Performance Measures:** • Under development
Provide efficient customer service by keying customer information and claims at source	• Percentage of claims keyed into computers at source compared to previous years

Strategic Goal 4: Infrastructure and Internal Business Processes

A learning organization and workplace of choice investing in staff to enhance their capability to reach their potential

The objectives under this goal focus on employees and the knowledge and tools they need to achieve excellent customer service. The objectives and actions to achieve this goal are internally focused. Reporting and accountability for this goal are also internally directed.

2004-2005 Budget Overview

The appropriation for Crop Insurance in the 2004-2005 provincial budget has been prepared on the same basis as the 2003-2004 budget and is as follows:

	2003-04 Estimates $000s	Notes
Program Delivery	$ 25,500	1
Crop Premiums	79,024	2
Interest Subsidy	5,800	3
	$110,324	

Notes:

1) Claims are expected to be above average levels in 2004-2005.

2) Premiums are projected to be lower primarily due to decreased insured prices and lower long-term average yields. As a result, the province's proportionate share is forecast to be reduced as compared to 2003-2004.

3) The financing costs associated with the Crop Reinsurance Fund debt and the Crop Insurance Fund cash flow deficits are primarily due to the record 2002 claim payments.

Management's Report

Responsibility for Financial Statements

The financial statements of the Saskatchewan Crop Insurance Corporation are the responsibility of management and prepared in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding year. Management has applied its best judgment where estimates are required using all information available up to April 30, 2004. Other financial information in the annual report is consistent with that provided in these financial statements.

The corporation's accounting system and systems of internal control are maintained to provide reasonable assurance that transactions are properly authorized and recorded, that assets are properly safeguarded and that financial information is relevant and reliable.

The corporation's external auditor, KPMG LLP, has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.

The board of directors of the Saskatchewan Crop Insurance Corporation is responsible for overseeing management's performance of its financial responsibilities and has reviewed and approved these financial statements.

Stan Benjamin
Acting General Manager

Lorne Warnes
Executive Manager of Finance and Administration

April 30, 2004

Saskatchewan Crop Insurance Corporation

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the balance sheet of the Saskatchewan Crop Insurance Corporation as at March 31, 2004 and the statements of operation and net assets and cash flows for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 2004 and the results of its operations and its cash flows for the year that ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Regina, Canada

April 30, 2004

Saskatchewan Crop Insurance Corporation

Balance Sheet

March 31, 2004 with comparative figures for 2003

	2004	2003
Assets		
Cash	$ 157,793	$ 102,066
Investments (note 4)	3,098,558	4,497,314
Due from the Province of Saskatchewan General Revenue Fund (notes 3 and 12)	15,379,366	822,112
Accrued interest and other receivables	190,780	285,667
Transfers receivable from Province of Saskatchewan for financing (note 6)	553,401	915,870
Premiums receivable from producers	5,020,768	3,478,614
Premiums receivable from the Province of Saskatchewan	6,004,115	2,052,368
Premiums receivable from the Government of Canada	14,774,247	4,556,316
Indemnities receivable from Crop Reinsurance Fund of Saskatchewan	134,648,203	82,797,367
Indemnities receivable from Crop Reinsurance Fund of Canada for Saskatchewan	4,071,785	88,159,639
Prepaid expenses	179,527	73,579
Capital assets (note 5)	2,539,403	3,254,044
	$186,617,946	$190,994,956
Liabilities and Net Assets		
Accounts payable and accrued liabilities	2,418,203	3,855,329
Deferred indemnities payable	760,702	11,716,208
Indemnities payable	285,377	56,400,000
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	465,375	465,383
Loans Payable to the Province of Saskatchewan General Revenue Fund (notes 6 and 12)	176,358,838	112,347,809
Deferred administration revenue (note 8)	5,506,372	6,210,227
	185,794,867	190,994,956
Net assets	823,079	-
	$186,617,946	$190,994,956

Commitments and contingencies (note 11).
See accompanying notes to financial statements.

On behalf of the Board:

Doug Matthies
Chairperson

Harold Cushon
Vice-Chairperson

Saskatchewan Crop Insurance Corporation

Statement of Operations and Net Assets

Year Ended March 31, 2004 with comparative figures for 2003

	2004	2003
Revenue		
Premium contributions:		
Producers	$ 125,612,446	$ 85,994,050
Government of Saskatchewan	89,241,619	84,277,392
Government of Canada	133,764,932	64,732,249
Transfer from Saskatchewan Agriculture, Food and Rural Revitalization (note 8)	-	13,636,909
	348,618,997	248,640,600
Less reinsurance premiums ceded:		
Crop Reinsurance Fund of Canada for Saskatchewan	62,263,983	16,670,646
Crop Reinsurance Fund of Saskatchewan (note 1)	41,676,953	19,873,423
	103,940,936	36,544,069
Net premiums	244,678,061	212,096,531
Interest income	832,256	3,179,442
Province of Saskatchewan - General Revenue Fund financing (note 6)	4,865,398	915,870
New Crops Loss Recovery (note 1)	-	1,074,032
	250,375,715	217,265,875
Expenses		
Indemnities (note 7)	328,336,024	1,089,044,004
Bad debts	1,973,439	(714,836)
Interest expense (note 6)	4,865,398	915,870
	335,174,861	1,089,245,038
Reinsurance Recovery:		
Crop Reinsurance Fund of Canada for Saskatchewan (note 7)	(7,905,564)	477,779,035
Crop Reinsurance Fund of Saskatchewan (note 7)	93,527,789	221,724,978
	85,622,225	699,504,013
Excess (deficiency) of revenue over expenses from insurance operations, before administration revenue and expenses	823,079	(172,475,150)
Administration revenue:		
Province of Saskatchewan operating grant (note 8)	25,703,855	27,303,496
Other administration revenue	352,867	374,143
	26,056,722	27,677,639
Administration expenses (Schedule 1)	26,056,722	27,677,639
Excess (deficiency) of revenue over expenses	823,079	(172,475,150)
Net assets, beginning of year	-	172,475,150
Net assets, end of year	823,079	-

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Statement of Cash Flows

Year Ended March 31, 2004 with comparative figures for 2003

	2004	2003
Cash Provided by (Used In):		
Operating Activities:		
Excess (deficiency) of revenue over expenses	$ 823,079	$(172,475,150)
Item not affecting cash:		
Amortization	1,244,577	1,262,875
Change in non-cash operating items:		
Accrued interest and other receivables	94,887	813,062
Premiums receivable from producers	(1,542,154)	(648,734)
Premiums receivable from the Province of Saskatchewan	(3,951,747)	601,573
Premiums receivable from the Government of Canada	(10,217,931)	(2,593,980)
Due from Reinsurance Fund of Saskatchewan	(51,850,836)	(82,797,367)
Due from Reinsurance Fund of Canada for Saskatchewan	84,087,854	(87,723,502)
Prepaid expenses	(105,948)	3,271
Accounts payable and accrued liabilities	(1,437,126)	1,426,360
Deferred indemnities payable	(10,955,506)	10,691,970
Indemnities payable	(56,114,623)	56,400,000
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	(8)	(162,505)
Deferred administration revenue	(703,855)	1,116,504
	(50,629,337)	(274,085,623)
Financing:		
Increase in transfers receivable from the Province of Saskatchewan	362,469	(915,870)
Loans payable to the Province of Saskatchewan - General Revenue Fund	64,011,029	112,347,809
	64,373,498	111,431,939
Investment Activities:		
Purchase of capital assets	(529,936)	(1,523,920)
Increase (decrease) in cash and cash equivalents	13,214,225	(164,177,604)
Cash and cash equivalents, beginning of year	5,421,492	169,599,096
Cash and cash equivalents, end of year	$ 18,635,717	$ 5,421,492
Represented by:		
Cash	$ 157,793	$ 102,066
Investments	3,098,558	4,497,314
Due from Province of Saskatchewan General Revenue Fund	15,379,366	822,112
	$ 18,635,717	$ 5,421,492

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Administration Expenditures

Year Ended March 31, 2004 with comparative figures for 2003

Schedule 1

	2004	2003
Adjusting and grain grading wages and expenses	$ 7,943,415	$ 9,502,335
Advertising	533,883	386,788
Amortization	1,244,577	1,262,875
Appeal Panel and Board of Directors meetings	117,158	66,234
Collection fees	22,339	48,547
Computer	1,473,716	1,435,736
Office rental	1,045,854	1,006,884
Office supplies and duplicating	439,447	496,052
Other	301,698	302,760
Postage	430,657	369,311
Professional fees	382,094	508,386
Salaries and benefits	11,010,386	11,152,169
Telephone	283,045	296,846
Travel and sustenance	828,453	842,716
	$26,056,722	$27,677,639

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Notes to Financial Statements

March 31, 2004

1. Status of the corporation:

The Saskatchewan Crop Insurance Corporation (the Corporation), a provincial Crown Corporation, was established under *The Crown Corporations Act* and continued under *The Crop Insurance Act*.

The Corporation administers the federal provincial Crop Insurance program. In addition, on behalf of the Saskatchewan Agricultural Stabilization Fund, the Corporation administers the Waterfowl Damage Compensation, New Crops Insurance, Big Game Damage Compensation, Canada-Saskatchewan Adjustment and Canada-Saskatchewan Assistance accounts. The financial results of the Saskatchewan Agricultural Stabilization Fund are reported separately.

The Canada-Saskatchewan Production Insurance Agreement requires that reinsurance funds be established by the Government of Canada and the Government of Saskatchewan. These reinsurance funds receive reinsurance premiums from the Corporation and, under certain circumstances, pay reinsurance benefits to the Corporation.

Crop insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities receivable, in excess of assets within the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Corporation. If these future reinsurance premiums are insufficient to pay reinsurance benefits and repay this receivable, the Government of Saskatchewan is required to fund any deficiency.

The Crop Reinsurance Fund of Saskatchewan is administered by the Corporation. The operations, assets and liabilities of this reinsurance fund are reported in separate financial statements as required by the Canada-Saskatchewan Crop Insurance Agreement.

As a crown entity, the Corporation is not subject to federal or provincial income tax, or federal goods and services tax.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Capital assets:
Capital assets are capitalized and amortized over their useful lives. They are recorded on the balance sheet at their net book value.

Amortization is charged against operations, and is provided on a straight line basis over the estimated useful lives of the assets. The rates of amortization are:

Equipment	20%
Leasehold improvements	20%
Computer equipment	20%

Cash and cash equivalents:
Cash and cash equivalents consist of cash, short-term investments with a maturity of 90 days or less and the Corporation's insurance fund bank account which is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan (note 3).

Investments:
Investments are recorded at cost less any writedown required to reflect an impairment in value, which is considered other than temporary in nature.

Indemnities payable:
Indemnities payable represents estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims. As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from the estimate.

Premium revenue recognition:
Crop insurance is a cost-shared program. Premium payments, for each of the last two years, are cost-shared as follows:

Year	Producers %	Federal Gov't. %	Provincial Gov't. %
2003-04			
Base (50%) coverage	19	48.6	32.4
Buyup (60-80%) coverage	48	31.2	20.8
Rainfall	37	37.8	25.2
2002-03			
Base (50%) coverage	19	36	45
Buyup (60-80%) coverage	48	22	30
Rainfall	37	28	35

Premiums, including the producer, federal and provincial governments' shares, are recognized as income when invoiced to producers.

Use of estimates:
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ materially from those estimated.

Notes to Financial Statements

March 31, 2004

3. Due from Province of Saskatchewan General Revenue Fund:

The Corporation's insurance bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan.

Interest is earned on these funds at the government's thirty day borrowing rate, and is based on the Corporation's average daily account balance. Interest is paid by the Province of Saskatchewan General Revenue Fund to the Corporation on a quarterly basis. During the current year, the average rate was 2.79% (2003 - 2.62%).

4. Investments:

The Corporation's investments are in term deposits maturing during the first week of April, 2004 with effective interest rates of 2.25% (2003 - first week of April, 2003 and 3.0%, respectively).

5. Capital assets:

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Equipment	$ 2,717,035	$ 2,431,920	$ 285,115	$ 510,269
Leasehold improvements	826,879	638,354	188,525	327,511
Computer equipment	16,252,180	14,186,417	2,065,763	2,416,264
	$19,796,094	$17,256,691	$2,539,403	$3,254,044

6. Loans payable to the Province of Saskatchewan General Revenue Fund:

At March 31, 2004 the Crop Reinsurance Fund of Saskatchewan is in a deficit position, and significant reinsurance recoveries are receivable from the Crop Reinsurance Fund of Canada for Saskatchewan. As a result, the General Revenue Fund has provided three loans to the Corporation.

The first loan is for $77,000,000 (2003 - $63,000,000) from a line of credit established with the Province of Saskatchewan's General Revenue Fund. Interest is charged to the Corporation on a quarterly basis at the Province's short-term borrowing rate, which averaged 2.86% (2003 - 2.76%). This loan is due June 30, 2004.

The second loan is for $49,448,379 (2003 - $49,347,809) and bears interest at the rate of 4.75% (2003 - 4.75%). Interest on this loan is financed by an appropriation from the General Revenue Fund. This loan has a maturity date of September 24, 2009.

The third loan is for $49,910,459 and bears interest at the rate of 3.90%. Interest on this loan is financed by an appropriation from the General Revenue Fund. This loan has a maturity date of September 5, 2008.

These loans may be retired earlier or extended based on the operating results of the insurance program.

7. Finalization of prior year's indemnities payable:

Due to weather conditions, a significant number of 2002 crop year claims could not be finalized by March 31, 2003. The cost of these claims were estimated to be $56.4 million and were included in the Corporation's March 31, 2003 financial statements.

After these claims were finalized the total cost to the Corporation, for these unsettled claims, was $39,707,739. The $16,692,261 difference has reduced indemnities expense in the current year and has also reduced the current year's reinsurance recoveries from the Crop Reinsurance Fund of Canada for Saskatchewan by $12,519,196 and from the Crop Reinsurance Fund of Saskatchewan by $4,173,065.

8. Deferred administration revenue:

Under the terms of federal-provincial agreements, eligible administration revenue and expenses are shared 60% by the Government of Canada and 40% by the Government of the Province of Saskatchewan.

Government of Canada contributions are paid to the Government of the Province of Saskatchewan General Revenue Fund, which remits them to the Corporation.

To the extent this funding was not required to pay administration fund expenses of the current year it has been deferred and shown as deferred administration revenue and will be used to fund future administration expenses.

Details of administration funding received and recorded as revenue follows:

	2004	2003
Deferred administration revenue, beginning of year	$ 6,210,227	$ 5,093,723
Province of Saskatchewan General Revenue Fund net operating grant Received	25,000,000	28,420,000
Net operating grant recorded as Revenue	(25,703,855)	(27,303,496)
Deferred administration revenue, end of year	$ 5,506,372	$ 6,210,227

Notes to Financial Statements

March 31, 2004

9. Pension plans:

The corporation's employees participate in either the Public Service Superannuation Plan, a multi-employer defined benefit pension plan, or the Public Employees Pension Plan, a multi-employer defined contribution pension plan. Pension costs of $717,801 (2003 - $755,552) are included in salaries and benefits and comprise the cost of employer contributions for current service of employees during the year. The Corporation's liability is limited to the required contributions.

10. Related party transactions:

Included in these financial statements are transactions with various Saskatchewan crown corporations, departments and agencies related to the Corporation by virtue of common control exercised by the Government of the Province of Saskatchewan.

In addition, one of the Corporation's directors is a partner in an organization which provided professional services to the corporation. During the current year these services amounted to $170,511 (2003 - $249,683).

Routine operating transactions with related parties are measured at prevailing market prices under normal trade terms. These financial statements include the following balances from and transactions with related parties:

	2004	2003
Accounts payable and accrued liabilities	$ 215,671	$ 144,780
Administration expenses	$5,206,262	$4,744,697

Other related party transactions are disclosed elsewhere in these financial statements.

11. Commitments and contingencies:

Commitments:
The Corporation is committed to the Saskatchewan Property Management Corporation, a related crown entity, for several leases for office space with annual payments of $1,044,754. The leases are currently renewable on an annual basis.

Contingencies:
Pursuant to *The Canada-Saskatchewan Production Insurance Agreement*, in the event the agreement is terminated and no new agreement is entered into, all capital assets funded by the agreement shall be disposed of and the proceeds shall be shared equally by the Government of the Province of Saskatchewan and the Government of Canada. As of March 31, 2004, all capital assets owned by the Corporation had been funded by this agreement.
Various legal actions for additional crop insurance indemnity payments have been initiated against the Corporation. Presently, the Corporation is actively defending these cases. While the outcome of these claims cannot be determined, management is of the opinion that the result of these actions will not have a material impact on the Corporation's financial position.

12. Fair value of financial assets and financial liabilities:

Collection of the amounts due from the Crop Reinsurance Fund of Saskatchewan are dependent upon the level of future reinsurance premiums ceded and reinsurance recoveries and, accordingly, their fair value cannot be estimated.

Based on current market rates for similar debt, the fair value of the Corporation's loans payable to the Province of Saskatchewan General Revenue Fund is approximately $180,900,000.

The fair value of all other financial assets and liabilities approximates their carrying value due to their short-term nature.

13. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Crop Reinsurance Fund of Saskatchewan

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the balance sheet of the Crop Reinsurance Fund of Saskatchewan as at March 31, 2004 and the statements of operation and deficiency for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2004 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Regina, Canada

April 30, 2004

Crop Reinsurance Fund of Saskatchewan

Balance Sheet

March 31, 2004 with comparative figures for 2003

	2004	2003
Assets		
Due from Province of Saskatchewan General Revenue Fund (note 3)	$ 512	$ 504
Reinsurance premium receivable from Saskatchewan Crop Insurance Corporation	465,375	465,383
	$ 465,887	$ 465,887
Liabilities and deficiency		
Due to Saskatchewan Crop Insurance Corporation	$ 134,648,203	$ 82,797,367
Deficiency	(134,182,316)	(82,331,480)
	$ 465,887	$ 465,887

See accompanying notes to financial statements.

On behalf of the Board:

Doug Matthies Chairperson

Harold Cushon Vice-Chairperson

Crop Reinsurance Fund of Saskatchewan

Statement of Operations and Deficiency

Year Ended March 31, 2004 with comparative figures for 2003

	2004	2003
Revenue		
Premium ceded from the Saskatchewan Crop Insurance Corporation	$ 41,676,953	$ 19,873,423
Expenditure		
Reinsurance claim from Saskatchewan Crop Insurance Corporation	93,527,789	221,724,978
Deficiency	(51,850,836)	(201,851,555)
Fund balance (deficiency), beginning of year	(82,331,480)	119,520,075
Fund balance, end of year	$(134,182,316)	$ (82,331,480)

See accompanying notes to financial statements.

Crop Reinsurance Fund of Saskatchewan

Notes to Financial Statements

March 31, 2004

1. Status of the fund:

The Canada-Saskatchewan Production Insurance Agreement between the Government of the Province of Saskatchewan and the Government of Canada provides for the establishment of two reinsurance funds:

a) The Crop Reinsurance Fund of Saskatchewan which is administered by the Government of the Province of Saskatchewan, and

b) The Crop Reinsurance Fund of Canada for Saskatchewan which is administered by the Government of Canada.

2. Significant accounting policies:

Premium ceded from the Saskatchewan Crop Insurance Corporation:
Under the terms of the agreement referred to in note 1, the Saskatchewan Crop Insurance Corporation is required to pay reinsurance premiums to the reinsurance funds based on premiums received during the insurance year.

Liability for claim payments from the reinsurance funds:
Under the terms of the agreement referred to in note 1, payments are required from the reinsurance funds if indemnities which were required to be paid in an insurance year exceeded the aggregate of:

a) the premium receipts for the year less reinsurance premiums ceded, and

b) the net assets of the Saskatchewan Crop Insurance Corporation's Crop Insurance Fund.

To the extent that payments are required out of the reinsurance funds, the Crop Reinsurance Fund of Saskatchewan is responsible for an amount not exceeding 3⅓% (2003 - 2⅓%) of the total liability under policies in force in the insurance year. However, the Crop Reinsurance Fund of Saskatchewan is not required to pay any amounts if it has made a payment in previous years and the payment that has not yet been recovered from its operations exceeds 16.67% of the total liability of the policies in force for the current year.

The balance of indemnities that exceed the net assets in the Saskatchewan Crop Insurance Corporation are shared 75% by the Reinsurance Fund of Canada for Saskatchewan and 25% by the Reinsurance Fund of Saskatchewan.

Crop insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities payable to the Saskatchewan Crop Insurance Corporation, in excess of assets within the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Saskatchewan Crop Insurance Corporation. If these future reinsurance premiums are insufficient to allow the Crop Reinsurance Fund of Saskatchewan to repay this payable, the Government of Saskatchewan is required to fund any deficiency.

Due to Saskatchewan Crop Insurance Corporation:
This includes estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims. As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from the estimate.

Use of estimates:
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ materially from those estimated.

3. Due from Province of Saskatchewan General Revenue Fund:

The Crop Reinsurance Fund bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan.

Interest earned on these funds is not allocated to the Crop Reinsurance Fund.

4. Statement of cash flows:

A statement of cash flows has not been prepared as a separate statement would not provide additional, useful information.

5. Fair value of financial assets:

Settlement of the reinsurance premium receivable from, and indemnities payable to, the Saskatchewan Crop Insurance Corporation is dependent upon the level of future reinsurance premiums ceded and indemnities payable, and accordingly their fair values cannot be estimated.

Appendix 1

2003-2004 Saskatchewan Crop Insurance Program

Saskatchewan Crop Insurance assists producers in managing their operation's risk over the crop year. The regular, multi-peril Crop Insurance program guarantees customers a minimum yield and quality of grain while additional program options allow producers to tailor their coverage to their operation. The following is a summary of the Crop Insurance program that was available to Saskatchewan producers in 2003-2004.

Insured Perils

Crop Insurance offers coverage against specific uncontrollable natural perils: drought, excessive rain, flood, hail, frost, snow, wind, lightning, hurricane, tornado, accidental fire, damage caused by wildlife, waterfowl, insects and plant disease. If the loss is due to farm management practices, the non-performance of a third party's products or third party damage, coverage may be reduced or denied.

Insurable Crops

Under the regular, multi-peril program, insurable crops in 2003 were: hard red spring wheat, extra strong red spring wheat, Canada Prairie Spring wheat, durum, winter wheat, barley, oats, canary seed, flax, canola, fall and spring rye, sunflowers, mustard (yellow, brown and oriental), field peas, lentils (large green, red and other), triticale and fababeans.

Insurable forage crops were tame hay, greenfeed, dehydrated alfalfa and sweetclover. The Forage Rainfall Insurance Program provided single-peril coverage on native grass and tame grazing acres.

New Crops Insurance provided protection on alfalfa seed, biennial caraway, coriander, Khorasan wheat, dry beans (irrigated including pinto, black and others and non-irrigated including pinto and black), chickpeas (Desi, small and large seed Kabuli) and potatoes.

Insured Price

For most crops, the insured price is the average price a commodity will sell for during the crop year as forecasted by Agriculture and Agri-Food Canada.

Premium Cost Sharing and Coverage Levels

Crop Insurance premiums are cost-shared between producers, the federal and provincial governments.

In 2003, premium cost sharing reflected the 60 per cent federal–40 per cent provincial share of government premiums to be implemented under the Agriculture Policy Framework.

	Base Coverage	Buy-Up Coverage
Producers	19%	48%
Government of Saskatchewan	32.4%	20.8%
Government of Canada	48.6%	31.2%

Base coverage is 50 per cent of a producer's average yield while buy-up coverage is 60, 70 and 80 per cent. The cost sharing for buy-up coverage only applies to the incremental cost above the base level. Certain crops are not eligible for 80 per cent coverage based on a lack of data to predict probable yields.

Crop Insurance introduced the Low Price Option (LPO) for 2003, allowing customers to select any level of coverage at a reduced cost. Under the LPO, premiums and coverage are based on 85 per cent of the insured base price without lowering the claim threshold.

Individual Coverage

Producers are guaranteed a minimum yield based on the coverage selected as a percentage of their personal yield experience for each crop insured. Area averages are used for customers without sufficient verifiable historical information upon which to base their initial coverage.

Each year a customer grows an insured crop, their long-term individual yield is updated to reflect their experience for future coverage. The customer's long-term individual yield is updated using 90 per cent of their previous average plus 10 per cent of their new annual yield. There is a one-year lag in this calculation.

In 2003, Crop Insurance updated the productive relationship between summerfallow and stubble cropping, reflecting improved farming practices and technologies. Old area average yields used to establish coverage levels were replaced with current long-term area average yields. The average overall effect was a five per cent increase in coverage though it varied by producer and crop.

Management Experience Transfer (MET)

The MET is used to establish a starting yield based on a producer's farm management abilities for a crop where no individual yield was previously established. The area average is adjusted by an index of the producer's personal yield experience versus the area yields for the other crops the producer has grown and insured. Once yields are established, they are updated with individual production information, providing individual coverage.

Production and Quality Guarantee

Since Crop Insurance guarantees a minimum yield based on a customer's long-term individual yields and coverage option selected, yield-loss payments are based on the shortfall between the production guarantee and the harvested yield plus any appraisals applied to acres put to any use other than harvesting.

Quality is considered on most insurable crops when calculating yield loss, compensating for grade loss. Designated grades are established based on the historical average grade of each crop produced in Saskatchewan. When the grade of the harvested production is lower than the designated grade, the production is adjusted downward by a quality factor, increasing the value of the claim.

Establishment and Unseeded Acreage Benefits

Insurance coverage includes crops that fail to establish and acres unseeded due to excessive spring moisture. The Establishment Benefit covers crops that fail to adequately establish or suffer significant damage due to insurable causes prior to June 20. Under the Unseeded Acreage feature, producers who are unable to seed their normal number of acres by June 20 due to excessive moisture may be eligible for a per acre payment.

Winterkill Coverage

Winterkill coverage is a separate option for fall-seeded crops. Producers have until August 25 to select winterkill insurance on crops seeded by September 25 of the year prior to harvest. Yield-loss coverage can be selected in the spring of the harvest year, subject to a spring establishment inspection.

Irrigation Coverage

Coverage is higher and premium rates lower for irrigated crops, reflecting the reduced risk. The irrigation schedule and application is inspected to ensure effectiveness throughout the growing season. Drought is not an insurable cause of loss on irrigated acres. To insure irrigated acres, all acres of that crop must be insured whether produced on irrigated or dry land. For 2003-2004, 37,793 irrigated acres were insured on 154 contracts.

Diversification Option

The Diversification Option is available on crops that are not insurable under regular, multi-peril or the New Crops insurance programs although customers must have acres enrolled in the regular program to be eligible. Coverage levels, premiums and any claims paid for the diversified crop grown are equal to the average coverage, premium and claims paid on all acres insured under the regular program.

For 2003, the maximum number of acres eligible for diversification coverage rose from 20 to 30 per cent of total acres insured under the regular, multi-peril program. 7,473 diversification acres were insured under 75 contracts in 2003 as compared to 3,316 acres under 39 contracts in 2002.

Diversification Option Historical Participation

Year	Insured Acres
1994	4,803
1995	4,798
1996	2,480
1997	4,066
1998	5,517
1999	3,109
2000	2,199
2001	2,099
2002	3,316
2003	7,473

Pedigree Seed Option

For members of the Certified Seed Growers Association, the Pedigree Seed Option offers a higher price option for insurable crops and a quality adjustment if the germination of the seed produced is below certified seed standards. Producers selecting this option must select the same coverage at the same level as they have selected on their commercial crops. There were 170,216 pedigree acres insured under 244 contracts in 2003-2004.

Organic Crop Option

Organic insurance coverage is available for certified organic producers. Prices are set higher than commercial crops based on markets; yields are reduced and premium rates are higher to reflect the increased risk.

Since weed control options are limited on organic crops, Crop Insurance introduced the Organic Reseeding Benefit on crops worked under and reseeded by July 15 due to excessive weeds. If either the original or reseeded crop fails to establish, organic producers may still qualify for the Establishment Benefit.

In 2003, 464 contracts insured 172,032 acres under the Organic Crop Option, an increase from 335 contracts and 110,476 acres in the previous crop year.

Organic Crop Option Historical Participation

Year	Insured Acres
1990	15,429
1991	11,700
1992	14,284
1993	15,938
1994	12,326
1995	11,058
1996	11,982
1997	12,857
1998	21,763
1999	28,333
2000	50,439
2001	79,297
2002	110,476
2003	172,032

Forage Insurance Program

Crop Insurance's Forage Insurance protects tame hay, greenfeed, dehydrated alfalfa and sweetclover for yield loss. The Forage Establishment Benefit Option (FEBO) is also available as an optional rider, providing establishment coverage on acres seeded to alfalfa, alfalfa/grass, grass, red clover and sweetclover.

A separate establishment benefit for sweetclover was introduced for 2003. Customers had the option to purchase establishment coverage, yield-loss coverage or both on acres seeded by June 20.

Weather Derivative Programs

Saskatchewan Crop Insurance remains committed to developing innovative insurance products that are easy to understand and administer resulting in the Forage Rainfall and Annual Crop Weather Based Insurance Programs. These weather-derivative programs are not based on individual production; claims are automatically calculated based strictly on the data gathered at designated weather stations. Quality control measures include verification of all data by Environment Canada.

Forage Rainfall Insurance Program (FRIP)

Protecting grazing acres against below-average seasonal precipitation, FRIP claims are calculated when the weighted precipitation between April 1 and July 31 falls below 80 per cent of normal. For 2003, new weather stations were added and insurance coverage varied by soil zone to reflect the differences in productivity. Liability limits by station were removed. Because FRIP coverage began April 1, the deadline to enroll for this option was March 31, 2003.

Annual Crop Weather Based Insurance Program

The Annual Crop Weather Based Insurance Program was continued as a pilot, protecting annual crops in the event of significant precipitation shortfalls and early fall frost. Two options were available: a $10 per acre top-up to acres insured under the regular, multi-peril program and a stand-alone option at $70 per acre available in three specific areas of the province. Maximum liabilities assigned to each station made the Annual Crop Weather Based Insurance Program first come, first served.

Precipitation payments are calculated when the weighted precipitation between May 1 and August 31 falls below 70 per cent of normal. Early fall frost claims are triggered when frost occurs after the midpoint of the growing season but before the average first fall frost date less three days. In the event that both claim types are triggered, only the greater of the two indemnities are paid.

Complete program information is available from Saskatchewan Crop Insurance.

Appendix 2

New Crops Insurance Account

The New Crops Insurance Account was established in 1996 to assist in developing programs that support the diversification efforts of Saskatchewan producers.

Crops insured under the regular multi-peril program are subject to actuarial review to ensure premiums and coverage offered are based on historical experience and ensure the long-term sustainability of the program. Premium rates are loaded to provide for deficit recovery or reserve accumulation.

The New Crops Insurance Account allows insurance to be offered on crops where there is limited production data for an actuary to review. Premiums and coverage are determined based on available information which may include proxy data from other jurisdictions and data for similar crops. Over time, rates and coverages are adjusted to reflect the increased amount of data available and new crops may be transitioned into the regular Crop Insurance program.

This account provides funded reinsurance for new crops. The premiums charged are not required to include deficit recovery or reserve accumulation loads. This is considered an important aspect of gaining producer support, modifying and improving insurance products provided and building actuarial data to sustain these programs over the long term.

In 2003-2004, the crops covered under this reinsurance program were alfalfa seed, caraway, coriander, Khorasan wheat and non-irrigated dry beans.

New Crops Insurance Account

Contributions, Interest and Claims By Crop Year (000's)

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	Total
Opening Balance	$ -	$15,000	$25,190	$26,271	$27,443	$24,220	$23,153	$9,047	$ -
Contributions									
Saskatchewan	5,000	5,000	-	-	-	-	-	-	10,000
Canada	10,000	5,000	-	-	-	-	-	-	15,000
Interest	-	190	1,081	1,284	1,568	866	605	245	5,839
	15,000	10,190	1,081	1,284	1,568	866	605	245	30,839
Expenditures									
Reinsurance Premiums	-	-	-	-	(1,050)	(1,733)	-	-	(2,783)
New Crops Program Deficit	-	-	-	(112)	(3,741)	(200)	(1,074)	-	(5,127)
Transfer for Crop Insurance Fund	-	-	-	-	-	-	(13,637)	-	(13,637)
	-	-	-	(112)	(4,791)	(1,933)	(14,711)	-	(21,547)
Ending Balance	$15,000	$25,190	$26,271	$27,443	$24,220	$23,153	$ 9,047	$9,292	$ 9,292

Appendix 3

Waterfowl and Big Game Damage Compensation Programs

Saskatchewan Crop Insurance administers the Waterfowl Damage Compensation Program and the Big Game Damage Compensation Program on behalf of the federal and provincial governments. They are reported in the financial statements of the Agricultural Stabilization Fund under the department of Agriculture, Food and Rural Revitalization.

Under these programs, compensation is provided for damage caused by whitetail and mule deer, antelope, elk, moose, bears, ducks, geese and sandhill cranes.

There are no premiums paid by producers and any Saskatchewan producer with or without a Crop Insurance contract is eligible for compensation. Compensation covers 85 per cent of the incurred loss less a $200 deductible per crop. Payments are based on the grade at the time of harvest, reflecting the value of the damaged crop; protein adjustments and malting status are not included in determining compensation amounts.

The tables on this page indicate the average historical indemnity amount paid based on the actual claims paid to the end of the fiscal year.

Prior to 1996, the Big Game program was considered a provincial responsibility while the Waterfowl program was a joint responsibility with indemnities shared between the governments on a 50-50 basis. Payments under both programs were funded pay-as-you-go. Starting in 1996, both programs were made eligible for federal and provincial funding with government contributions providing a funding pool.

The tables on the next page indicate the indemnities by crop year and the governments' contributions. These tables are not prepared in accordance with the accounting policies disclosed in the Agricultural Stabilization Fund however, on a cumulative basis, these amounts reconcile with those financial statements.

Annual Waterfowl Damage Compensation Summary

Fiscal Year	Claims	Compensation Paid	$/Claim
78-79	1,586	$ 1,836,587	$ 1,158
79-80	908	$ 977,476	$ 1,077
80-81	1,233	$ 1,465,480	$ 1,189
81-82	305	$ 312,061	$ 1,023
82-83	582	$ 684,593	$ 1,176
83-84	541	$ 869,910	$ 1,608
84-85	408	$ 763,530	$ 1,871
85-86	2,544	$ 6,389,022	$ 2,511
86-87	2,950	$ 6,658,769	$ 2,257
87-88	1,210	$ 1,779,933	$ 1,471
88-89	807	$ 1,337,903	$ 1,658
89-90	1,384	$ 3,727,130	$ 2,693
90-91	760	$ 2,138,380	$ 2,814
91-92	392	$ 683,391	$ 1,743
92-93	2,040	$ 5,557,642	$ 2,724
93-94	1,560	$ 3,603,156	$ 2,310
94-95	1,668	$ 1,778,556	$ 1,066
95-96	709	$ 1,352,767	$ 1,908
96-97	2,416	$ 7,951,921	$ 3,291
97-98	1,077	$ 4,361,668	$ 4,050
98-99	298	$ 520,360	$ 1,746
99-00	1,600	$ 4,309,428	$ 2,693
00-01	1,132	$ 2,559,440	$ 2,261
01-02	164	$ 233,093	$ 1,421
02-03	781	$ 2,368,893	$ 3,033
03-04	1,028	$ 5,202,721	$ 5,061
Total	**30,083**	**$ 69,423,810**	
Average	**1,157**	**$ 2,670,147**	**$ 2,147**
5 Yr. Average	**941**	**$ 2,934,715**	**$ 2,894**

Annual Big Game Damage Compensation Summary

Year	Claims	Compensation Paid	$/Claim
96-97	0	$ 0	$ 0
97-98*	1,671	$ 6,412,426	$ 3,837
98-99	264	$ 529,955	$ 2,007
99-00	400	$ 893,760	$ 2,234
00-01	383	$ 968,948	$ 2,530
01-02	612	$ 1,306,835	$ 2,135
02-03	393	$ 1,164,098	$ 2,962
03-04	2,789	$ 10,366,683	$ 3,717
Total	**6,512**	**$ 21,642,705**	
5 Yr. Average	**915**	**$ 2,940,065**	**$ 2,716**

*From 1984 to 1990, the program was administered by Saskatchewan Environment followed by Saskatchewan Crop Insurance starting in 1991. No program was offered in 1994 and 1995. It resumed in November of 1996 but claims were not paid until 1997. Therefore, 97-98 includes claims from both 1996 and 1997 crop years.

Big Game Damage Compensation Fund

Contributions, Interest and Claims By Crop Year (000's)

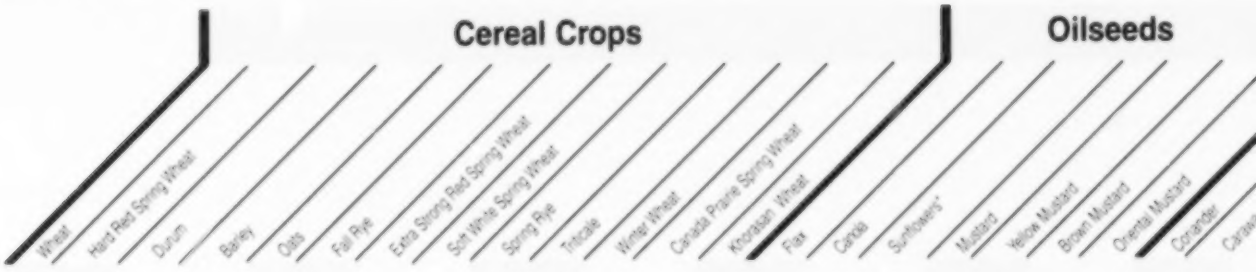
	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	Total
Opening Balance	$ -	$(1,375)	$ 8,839	$10,385	$10,749	$11,275	$ 4,225	$(5,075)	$ -
Contributions									
Saskatchewan	2,000	5,000	769	820	1,000	-	-	385	9,974
Canada	2,000	5,000	769	-	-	-	-	5,350	13,119
Hunter Levy	690	670	-	-	-		-	-	1,360
Transfer from W/Fowl Account	-	-	-	-	-	-	-	1,815	1,815
Temporary Provincial Advance	-	-	-	-	-	-	-	7,000	7,000
Interest	-	-	354	438	495	257	64	47	1,655
	4,690	10,670	1,892	1,258	1,495	257	64	7,597	27,923
Expenditures									
Indemnities	(6,065)	(406)	(346)	(894)	(969)	(1,307)	(1,164)	(2,166)	(13,317)
Repayment of temporary Provincial Advance	-	-	-	-	-	-	-	(7,000)	(7,000)
Estimated Unadjusted Claims	-	-	-	-	-	-	(8,200)	(356)	(8,556)
Interest	-	(50)	-	-	-	-	-	-	(50)
Transfer to CFIP	-	-	-	-	-	(6,000)	-	-	(6,000)
	(6,065)	(456)	(346)	(894)	(969)	(7,307)	(9,364)	(2,522)	(30,445)
Ending Balance	$(1,375)	$ 8,839	$10,385	$10,749	$11,275	$ 4,225	$(5,075)	$0	$0

Waterfowl Damage Compensation Program

Contributions, Interest and Claims By Crop Year (000's)

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	Total
Opening Balance	$ (465)	$ (3,162)	$15,001	$18,923	$17,177	$17,595	$8,778	$6,044	$ (465)
Contributions									
Saskatchewan	4,025	7,100	1,898	1,805	2,200	-	-	170	17,198
Canada	4,025	12,100	1,898	-	-	-	-	254	18,277
Interest	-	10	623	772	777	416	135	50	2,783
	8,050	19,210	4,419	2,577	2,977	416	135	474	38,258
Expenditures									
Indemnities	(10,742)	(1,041)	(497)	(4,309)	(2,559)	(233)	(2,369)	(4,703)	(26,453)
Estimated Unadjusted Claims	-	-	-	-	-	-	(500)	-	(500)
Interest	(5)	-	-	-	-	-	-	-	(5)
Transfer to CFIP	-	-	-	-	-	(9,000)	-	-	(9,000)
Transfer to Big Game	-	-	-	-	-	-	-	(1,815)	(1,815)
Doubtful Accounts	-	(6)	-	(14)	-	-	-	-	(20)
	(10,747)	(1,047)	(497)	(4,323)	(2,559)	(9,233)	(2,869)	(6,518)	(37,793)
Ending Balance	$ (3,162)	$15,001	$18,923	$17,177	$17,595	$ 8,778	$6,044	$0	$0

Appendix 4 Insured Acres by Crop



Year																									
1961-70	9.102.700			875.240	228.760																				
1970-71		579.500	137.400	262.500	24.400																				
1971-72		1.040.200	149.000	250.500	24.800																				
1972-73		1.613.505	385.088	362.166	40.855												41.267	146.301							
1973-74		4.731.716	715.544	1.008.666	234.891	2.177											153.252	388.380	1.050						
1974-75		5.615.440	1.360.053	1.507.827	430.933	14.054	42.295										218.854	545.896	190	68.880					
1975-76		6.673.045	2.072.676	1.519.288	559.950	29.722	67.105										227.902	881.834	829	33.871					
1976-77		8.452.752	1.870.193	1.389.155	549.122	49.101	60.345										96.225	328.818	570	17.950					
1977-78		10.367.504	1.216.880	2.246.907	746.051	47.909	264.967										365.647	774.775	2.291	73.457					
1978-79		8.692.868	2.296.101	1.631.337	476.210	83.014	226.913										221.994	1.415.738	2.064	73.363					
1979-80		8.706.489	1.721.750	1.270.343	361.241	76.076	58.368		4.858								386.897	1.616.044	4.128	44.418					
1980-81		9.783.115	2.147.814	1.795.748	480.810	89.389	44.346		13.493								247.139	1.085.158	10.632	110.742					
1981-82		11.997.416	2.749.049	2.180.806	546.035	138.233	37.515		18.022								210.676	686.360	4.791	75.290					
1982-83		11.250.517	2.237.746	2.049.734	461.074	147.036	34.773		25.008								275.290	757.199	3.601	49.725					
1983-84		11.854.822	2.087.304	1.614.460	326.370	135.117	25.787		8.072								123.665	1.112.926	1.306	90.580					
1984-85		10.931.701	2.561.121	1.823.475	376.268	105.569	58.823		9.133								372.201	1.770.049	5.895	164.691					
1985-86		11.853.170	2.899.744	2.218.712	469.229	118.634	167.936	9.329	23.484		416.257						430.229	1.803.123	6.100	222.031					
1986-87		13.298.153	3.172.596	2.394.632	468.090	187.634	156.036	11.301	29.369	2.887	602.396						501.806	1.665.883	6.490	271.288					
1987-88		11.674.712	3.710.793	2.497.283	456.691	164.669	59.578	4.468	15.219	2.079	364.277						351.599	1.627.739	11.234	117.443					
1988-89		10.840.175	3.880.322	2.090.117	628.814	138.679	58.419	2.262	20.727	1.711	130.624						312.559	2.586.023	10.329	247.822					
1989-90		12.070.775	4.684.235	2.759.566	758.462	330.134	58.177	2.043	18.008	1.166	51.912						533.851	2.295.868	10.019	361.354					
1990-91		12.962.716	3.580.820	2.372.150	444.078	227.450	44.891	2.972	15.828	5.115	68.391	53.817					655.579	2.365.296	8.102	361.373					
1991-92		15.512.081	3.723.365	2.776.307	382.028	98.670	24.921	8.445	18.445	5.097	23.570	326.653					483.221	3.121.653	16.947	186.406					
1992-93		14.453.469	2.485.901	2.166.076	419.373	57.084	22.908	4.350	17.793	7.802	14.694	551.764					206.509	2.735.548	9.439	205.996					
1993-94		9.724.157	1.942.853	1.738.413	366.814	77.362	124.147	1.149	12.924	11.414	15.838	564.436					409.525	3.305.427	20.748	230.671					
1994-95		6.315.045	2.785.708	1.408.404	318.456	56.879	98.647	0	12.929	7.152	10.227	329.938					563.646	4.508.878	16.140	386.635					
1995-96		6.868.737	2.825.626	1.789.833	256.052	46.860	147.124	80	4.510	5.785	20.426	404.611					759.514	4.285.304	11.515	288.527					
1996-97		8.213.055	2.708.185	1.986.217	433.415	34.136	214.413	549	4.976	5.465	41.669	579.749					435.399	2.670.161	6.683	246.407					
1997-98		6.963.500	3.066.510	2.069.474	479.457	40.008	215.154	357	5.762	7.384	47.042	796.755					792.587	3.806.591	16.668	309.005					
1998-99		5.603.875	4.322.155	2.079.546	706.099	68.755	177.123	260	8.520	18.794	55.087	595.423					991.327	4.377.810	20.402	348.309					
1999-00		6.389.437	2.491.646	2.080.267	536.971	47.853	136.885	483	4.986	19.513	48.789	394.839					889.593	4.612.512	32.733		109.918	116.924	166.648	10.091	4.308
2000-01		6.262.416	4.207.869	3.060.719	661.663	31.051	132.067	316	2.303	15.989	86.095	323.873					740.657	4.219.946	21.178		81.003	93.991	169.206	11.074	4.970
2001-02		7.847.343	3.477.740	3.010.165	716.488	24.763	82.822	130	2.769	16.892	125.085	306.318					920.117	3.545.269	9.876		147.548	47.228	75.446	8.467	6.227
2002-03		7.243.121	4.080.229	3.365.641	1.078.809	24.914	42.155		6.072	29.255	70.880	313.806	3.629				994.805	3.398.946	22.968		331.759	112.239	103.662	20.636	7.116
2003-04		7.121.104	3.969.914	3.488.895	860.578	60.536	21.743		5.303	26.575	98.875	277.180	6.567				1.086.571	4.498.030	32.563		288.909	172.555	89.961	13.981	3.394

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the crop insurance portion of GRIP.

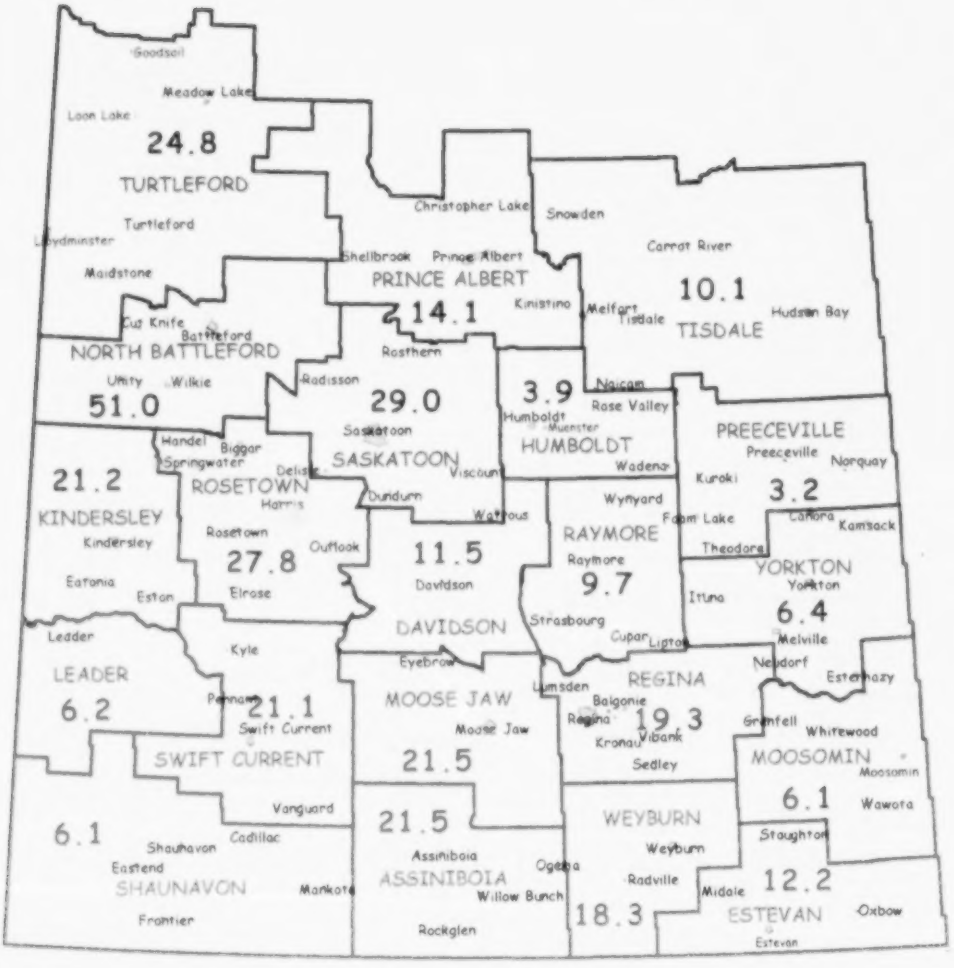
* Sunflowers include sunwheat and sunola.

** Average (acres per contract) does not include the Forage Insurance program.

| Specialty Crops | | | | | | | | | Pulses | | | | | | | | |

Appendix 5

2003-2004 Indemnities by Region
(Millions of Dollars)



Total claims paid for 2003-2004 were approximately $345 million including pre- and post-harvest and establishment benefit claims.

Saskatchewan Crop Insurance Customer Service Offices

Assiniboia
Ph: (306) 642-7235
1-888-935-0008
Fax: (306) 642-7229

Davidson
Ph: (306) 567-4401
1-888-935-0020
Fax: (306) 567-4408

Estevan
Ph: (306) 637-4500
1-888-935-0002
Fax: (306) 637-4609

Humboldt
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1-888-935-0026
Fax: (306) 682-6776

Kindersley
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1-888-935-0021
Fax: (306) 463-5469

Leader
Ph: (306) 628-3109
1-888-935-0011
Fax: (306) 628-3107

Moose Jaw
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1-888-935-0012
Fax: (306) 694-3811

Moosomin
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1-888-935-0005
Fax: (306) 435-4515

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Preeceville
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Fax: (306) 547-5655

Prince Albert
Ph: (306) 953-2781
1-888-935-0032
Fax: (306) 953-2255

Raymore
Ph: (306) 746-6252
1-888-935-0016
Fax: (306) 746-6260

Regina
Ph: (306) 798-2052
1-888-935-0001
Fax: (306) 798-2057

Rosetown
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1-888-935-0019
Fax: (306) 882-5458

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Ph: (306) 933-5101
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Fax: (306) 933-5220

Shaunavon
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Fax: (306) 297-5455

Swift Current
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1-888-935-0007
Fax: (306) 778-8332

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Ph: (306) 878-8860
1-888-935-0025
Fax: (306) 878-8856

Turtleford
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1-888-935-0030
Fax: (306) 845-4505

Weyburn
Ph: (306) 848-2300
1-888-935-0003
Fax: (306) 848-2454

Yorkton
Ph: (306) 786-1375
1 -888-935-0013
Fax: (306) 786-1676

CUSTOMER SERVICE OFFICE HOURS:
8:00 a.m. to 5:00 p.m.
(closed noon hour)
Closed weekends and statutory holidays

WEBSITE: www.saskcropinsurance.com

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Crop Insurance

2003-2004 Annual Report
Supplementary Information

Agriculture and Agri-Food Canada
Agriculture et Agroalimentaire Canada

Saskatchewan Crop Insurance Corporation

Supplier Payments

Listed are payees who received $50,000 or more for the provision of goods and services including office supplies, communications, contracts and equipment.

VENDOR	AMOUNT	VENDOR	AMOUNT
Able-One Systems Inc	$58,000	KPMG LLP Accounting	$144,182
Agrometeorological Centre of Excellence	170,691	The Marketing Den	527,174
Anisoft Group Inc	339,526	Microsoft	95,411
Canada Post Corporation	167,804	Olive Waller Zinkhan & Waller	170,511
Compusmart	193,384	Paperworks Inc	52,987
Culease Financial Services	56,214	Postage-By-Phone	50,000
DP Consultants	99,880	Sasktel, CMR	377,975
Full Circle Systems Inc	56,440	Saskatchewan Agriculture, Food and Rural Revitalization	182,118
Grand & Toy	51,811	Saskatchewan Property Management Corporation	1,821,125
Human Resources Services Ltd	54,849	Saskatchewan Workers' Compensation	165,460
Bill Humeny	90,649		
IBM Canada Ltd	410,461		

Personal Services- Employees

Listed are individuals who received salaries or wages which totalled $50,000 or more for the fiscal year ended March 31, 2004.

PAYEE	AMOUNT	PAYEE	AMOUNT
Adrian, Jeff	$56,234	Liebrecht, Collin	$57,067
Ames, Judy	57,067	Longworth, Wayne	57,067
Armbruster, Betty	56,748	Mathisen, Leslie	62,794
Audette-Sand, Gail	57,067	Matthies, Douglas	108,248
Bellamy, Donna	74,214	McCuaig, David	64,318
Benjamin, Stan	92,031	Morrow, Jeff	53,336
Biletski, George	69,658	Moyse, Lee	57,067
Brown, Ann	57,067	Myhr, Deborah	57,067
Burnett, John	57,067	Novak, Trevor	63,507
Butchko, Lori	51,734	Nyeste, Marjorie	58,595
Coldwell, Maria	57,067	Potts, Glen	54,423
Cooper, Mike	76,077	Price, Jean	57,067
Coulter, Mark	50,104	Quintal, Ernest	57,067
Cudmore, William	91,849	Rehm, Ken	50,664
Cursons, Thomas	78,686	Rohr, Robert	66,420
Dingle, Terry	91,849	Rooney, Colleen	55,624
Emond, Denis	76,558	Russell, Douglas	54,713
Erbach, Garth	68,313	Sawyer, Louise	70,008
Erickson, Kelly	57,067	Simpson, Thomas	50,350
Ferrier, Barbara	57,009	Sinclair, Cameron	57,067
Fleury, Curtis	52,419	Spence, Shaun	50,912
Frick, Arlan	53,336	Spruyt, Jack	59,736
Griemann, Eva	58,339	Stanley, Larry	57,231
Hayward, Keith	67,265	Stefankiw, Valerie	57,097
Heese, Richard	61,281	Stewart, Christopher	59,860
Hill, George	69,658	Svenson, Kenneth	58,091
Hittel, Ronald	69,658	Swan, Cameron	64,149
Hogg, Betty	57,067	Todosichuk, Jana	50,548
Honan, Connie	62,790	Tyacke, Shirley	57,067
Houle, Connie	51,787	Warner, Darby	57,067
Hubick, Lori	51,031	Warnes, Lorne	91,849
Hughes, Earl	71,558	Winterhalt, Dianne	50,292
Kentel-Weinheimer, Terri	51,019	Wotherspoon, Dale	53,336
Kernaz, Lennea	57,170	Wouters, Neil	56,594
Kiss, John	66,892	Yuzik. Lyle	61,110

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